**Q1) Which of the following is a normative statement?**

a) The government should increase taxes on cigarettes.

b) The demand for housing is increasing.

c) The price of petrol has risen by 10%.

d) The supply of mobile phones is decreasing.

Correct Answer: Option (a)

Explanation: A normative statement is a statement that expresses a value judgment about what ought to be. It is subjective and based on personal opinions, beliefs, or preferences. In this case, the statement "The government should increase taxes on cigarettes" is a normative statement because it expresses a value judgment about what the government should do to address a social issue.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q2) Which of the following is a macroeconomic variable?**

a) The price of rice

b) The income of a farmer

c) The unemployment rate

d) The profit of a company

Correct Answer: Option (c)

Explanation: Macroeconomics is the branch of economics that studies the behaviour and performance of the economy as a whole. It deals with variables such as national income, employment, inflation, and economic growth. The unemployment rate is a macroeconomic variable because it measures the percentage of the total labour force that is unemployed and actively seeking employment. In contrast, the price of rice, the income of a farmer, and the profit of a company are microeconomic variables because they focus on individual markets, firms, and households.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q3) Which of the following is a non-economic activity?**

a) Producing goods for sale

b) Watching a movie

c) Studying for exams

d) Investing in the stock market

Correct Answer: Option (b)

Explanation: Economic activities involve the production, distribution, and consumption of goods and services to satisfy human wants and needs. Watching a movie, on the other hand, is a leisure activity and not an economic activity as it does not involve the production, distribution, or consumption of goods and services. Producing goods for sale, studying for exams, and investing in the stock market are all economic activities as they involve the production, distribution, or consumption of goods and services, or the allocation of resources to generate income or wealth.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q4) Which of the following is a positive statement?**

a) The government should reduce taxes on luxury goods.

b) The inflation rate has increased by 2%.

c) The price of gold is expected to rise.

d) The demand for smartphones will increase in the future.

Correct Answer: Option (b)

Explanation: A positive statement is a statement that describes facts or makes objective observations about the world. It can be tested and verified using data or evidence. In this case, the statement "The inflation rate has increased by 2%" is a positive statement because it is an objective observation about a change in the inflation rate that can be measured and verified using data.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q5) Which of the following is a factor of production?**

a) A factory building

b) A computer programmer

c) A bag of cement

d) A marketing executive

Correct Answer: Option (a)

Explanation: Factors of production are the resources that are used in the production of goods and services. There are four main factors of production: land, labour, capital, and entrepreneurship. A factory building is an example of a capital resource, which includes all the man-made goods that are used in production, such as machinery, tools, and buildings. A computer programmer, a bag of cement, and a marketing executive are examples of labour resources, raw materials, and entrepreneurship, respectively.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q6) Which of the following is an example of a capital resource?**

a) A farmer

b) A tractor

c) A bag of seeds

d) A field

Correct Answer: Option (b)

Explanation: A capital resource is a man-made tool or equipment that is used in the production of goods and services. It includes all the man-made goods that are used in production, such as machinery, tools, and buildings. A tractor is a capital resource because it is a man-made machine that is used in farming to plough, till, and harvest crops. A farmer, a bag of seeds, and a field are examples of labour, raw material, and land resources, respectively.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q7) Which of the following is a positive statement?**

a) The government should provide free healthcare to all citizens.

b) The poverty rate has decreased by 5%.

c) The price of milk has increased by 10%.

d) The unemployment rate should be reduced to zero.

Correct Answer: Option (b)

Explanation: A positive statement is a statement that describes facts or makes objective observations about the world. It can be tested and verified using data or evidence. In this case, the statement "The poverty rate has decreased by 5%" is a positive statement because it is an objective observation about a change in the poverty rate that can be measured and verified using data.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q8) Which of the following is a characteristic of a command economy?**

a) Consumer sovereignty

b) Private property rights

c) Centralised decision-making

d) Market competition

Correct Answer: Option (c)

Explanation: A command economy is an economic system in which the central government makes all the major economic decisions, and owns and controls all the resources and means of production. In a command economy, economic activities are directed by a central planning authority, and the allocation of resources is determined by the government rather than by the market forces of supply and demand. This involves centralised decision-making, where the government makes decisions about what goods and services to produce, how much to produce, and at what price.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q9) Which of the following is an example of a service?**

a) A car

b) A television

c) A haircut

d) A book

Correct Answer: Option (c)

Explanation: A service is an intangible product that is consumed at the same time it is produced. It is a non-material product that is provided to consumers by someone else. A haircut is an example of a service because it is a non-material product that is provided to the consumer by a barber or a hair stylist.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q10) Which of the following is a microeconomic issue?**

a) Inflation

b) Unemployment

c) Economic growth

d) Supply and demand of a product

Correct Answer: Option (d)

Explanation: Microeconomics is the branch of economics that studies the behaviour of individuals and firms in making decisions about the allocation of scarce resources. It focuses on how individual consumers, producers, and markets interact to determine prices and the allocation of resources. Supply and demand of a product is a microeconomic issue because it deals with the behaviour of individual consumers and producers in a specific market, and how they interact to determine the price and quantity of the product.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q11) Which of the following is a characteristic of a traditional economy?**

a) Private property rights

b) Market competition

c) Centralised decision-making

d) Innovation and change

Correct Answer: Option (d)

Explanation: A traditional economy is an economic system that is based on customs, traditions, and beliefs that have been passed down from generation to generation. In a traditional economy, economic decisions are made by customs and traditions, and the allocation of resources is determined by what has been done in the past. There is little room for innovation and change, as traditional economic practices are deeply ingrained in the culture.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q12) Which of the following is a factor of production?**

a) Money

b) Natural resources

c) Labour unions

d) Taxes

Correct Answer: Option (b)

Explanation: Factors of production are the resources that are used to produce goods and services. They include land, labour, capital, and entrepreneurship. Natural resources, such as water, oil, minerals, and timber, are an example of land as a factor of production.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q13) Which of the following is a positive correlation?**

a) As the price of apples increases, the demand for oranges decreases.

b) As the temperature increases, the demand for ice cream decreases.

c) As the price of gasoline decreases, the demand for cars increases.

d) As the interest rate increases, the demand for loans increases.

Correct Answer: Option (d)

Explanation: A positive correlation occurs when two variables move in the same direction. In this case, as the interest rate increases, the demand for loans increases, indicating a positive correlation between the two variables. This makes sense because higher interest rates increase the cost of borrowing, making it more attractive for people to borrow money when the interest rates are lower. Therefore, when interest rates increase, people tend to borrow more to take advantage of the lower rates before they rise further.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q14) Which of the following is a characteristic of a market economy?**

a) Centralised decision-making

b) Government ownership of resources

c) Market competition

d) Limited consumer choice

Correct Answer: Option (c)

Explanation: In a market economy, prices and production are determined by the supply and demand of goods and services in the marketplace, rather than being centrally planned by a government or other central authority. In this system, businesses compete with one another to offer the best products at the lowest prices, while consumers have the freedom to choose the goods and services that best meet their needs and preferences. This competition helps to drive innovation and efficiency, and encourages businesses to continually improve their products and services in order to stay competitive in the marketplace.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q15) Which of the following is an example of an opportunity cost?**

a) Studying for a test instead of watching a movie

b) Buying a new car instead of repairing an old one

c) Spending money on a vacation instead of saving for retirement

d) Choosing to work overtime instead of spending time with family

Correct Answer: Option (a)

Explanation: Opportunity cost refers to the value of the best alternative forgone when making a decision. An example of an opportunity cost is studying for a test instead of watching a movie. In this case, the opportunity cost is the enjoyment and entertainment that could have been gained from watching the movie, which is the next best alternative that was forgone. By choosing to study for the test, the individual is giving up the opportunity to do something else that they might have preferred.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q16) Which of the following is not a function of money?**

a) Medium of exchange

b) Store of value

c) Unit of account

d) Barter system

Correct Answer: Option (d)

Explanation: A barter system refers to the exchange of goods and services for other goods and services without the use of money. In contrast, money serves as a medium of exchange, allowing people to buy and sell goods and services without having to engage in the difficult and time-consuming process of bartering. Additionally, money can function as a store of value, allowing individuals to save purchasing power for future use, and as a unit of account, allowing prices to be easily compared and transactions to be measured.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q17) Which of the following is an example of a public good?**

a) Pizza

b) Fireworks display

c) Clothing

d) Car

Correct Answer: Option (b)

Explanation: A public good is a good or service that is non-excludable and non-rivalrous, meaning that once it is provided, it is available to everyone and its consumption by one person does not reduce its availability for others. A fireworks display is an example of a public good because anyone can watch it and enjoy it, and one person's enjoyment of the display does not reduce its availability for others.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q18) Which of the following is an example of a market failure?**

a) A successful advertising campaign

b) A government subsidy for education

c) Pollution caused by a factory

d) An increase in demand for a product

Correct Answer: Option (c)

Explanation: Market failure occurs when the allocation of goods and services in a free market is inefficient, resulting in a net loss of economic welfare. Pollution caused by a factory is an example of a market failure because the negative externality of pollution is not accounted for in the cost of production or price of the product. This can lead to overproduction and consumption of goods that have negative effects on society and the environment.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q19) Which of the following is a characteristic of a command economy?**

a) Private property rights

b) Market competition

c) Decentralised decision-making

d) Centralised decision-making

Correct Answer: Option (d)

Explanation: In a command economy, the government or a central authority makes all the economic decisions, including what goods and services are produced, how they are produced, and for whom they are produced. This system is also known as a planned economy or a centrally planned economy, and it is the opposite of a market economy where decisions are made by the forces of supply and demand. In a command economy, there is usually little to no private property rights, and market competition is often suppressed or non-existent.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q20) Which of the following is a tool of fiscal policy?**

a) Interest rates

b) Taxation

c) Money supply

d) Exchange rates

Correct Answer: Option (b)

Explanation: Fiscal policy refers to the use of government spending and taxation to influence the economy. Taxation is a tool used by the government to raise revenue and regulate economic activity. By adjusting tax rates, the government can influence consumer spending and business investment, which can impact economic growth, inflation, and employment.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q21) What is an opportunity cost?**

a) The benefit gained from a decision

b) The cost of producing a good or service

c) The cost of the next best alternative foregone

d) The total cost of production

Correct Answer: Option (c)

Explanation: Opportunity cost refers to the cost of the next best alternative foregone when making a decision. In other words, it is the value of the best alternative that must be given up in order to undertake a certain action. For example, if you choose to spend your money on a vacation, the opportunity cost is the value of the next best alternative, such as investing the money or saving for retirement. The concept of opportunity cost is important in economics because it helps individuals and businesses make more informed decisions by weighing the benefits and costs of different options.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q22) Which of the following is a factor of production?**

a) Money

b) Land

c) Stocks

d) Cars

Correct Answer: Option (b)

Explanation: In economics, the factors of production are the resources used in the production process to create goods and services. The four factors of production are land, labour, capital, and entrepreneurship. Land refers to all natural resources used in the production process, such as forests, minerals, and water.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q23) Which of the following is an example of a merit good?**

a) Fast food

b) Education

c) Cigarettes

d) Luxury cars

Correct Answer: Option (b)

Explanation: Merit goods are goods or services that are considered to be beneficial to society and are under-provided by the market. This is because the market may not take into account the positive externalities associated with the consumption of these goods. In the case of education, it is considered to be beneficial to both the individual and society as a whole, as it can lead to higher wages, better employment opportunities, and an overall more productive and educated society.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q24) Which of the following is an example of a market economy?**

a) North Korea

b) Cuba

c) United States

d) China

Correct Answer: Option (c)

Explanation: A market economy is characterized by private ownership of the factors of production, voluntary exchange in markets, and the prices and output of goods and services determined by supply and demand. The United States is an example of a market economy where most economic decisions are made by individuals and businesses rather than the government.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q25) What is the difference between microeconomics and macroeconomics?**

a) Microeconomics studies the economy as a whole, while macroeconomics studies individual behaviour.

b) Microeconomics studies individual behaviour, while macroeconomics studies the economy as a whole.

c) Microeconomics studies the behaviour of firms, while macroeconomics studies the behaviour of households.

d) Microeconomics studies the behaviour of households, while macroeconomics studies the behaviour of firms.

Correct Answer: Option (b)

Explanation: Microeconomics is the study of individual economic behaviour, such as how households and firms make decisions about consumption, production, and pricing. It analyses the market behaviour of individual consumers and firms to understand the determinants of their decision-making. Macroeconomics, on the other hand, is the study of the economy as a whole, including its overall level of output, employment, and inflation. It focuses on aggregate measures such as gross domestic product (GDP), inflation, and unemployment, and examines the interactions between different sectors of the economy, such as households, businesses, and governments.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q26) What is a market?**

a) A place where people buy and sell goods and services

b) A place where only goods are bought and sold

c) A place where only services are bought and sold

d) A place where people go to socialise

Correct Answer: Option (a)

Explanation: A market refers to a place, virtual or physical, where buyers and sellers come together to exchange goods, services, or resources. In a market, buyers and sellers interact to determine the price and quantity of goods and services that will be exchanged. Markets can take many forms, including traditional physical marketplaces like farmers' markets, as well as online marketplaces like eBay and Amazon. Markets can also refer to broader economic systems, such as the labour market or the housing market.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q27) What is the difference between a public good and a private good?**

a) Public goods are provided by the government, while private goods are provided by private firms.

b) Public goods are excludable, while private goods are non-excludable.

c) Public goods are rivalrous, while private goods are non-rivalrous.

d) Public goods are non-excludable and non-rivalrous, while private goods are excludable and rivalrous.

Correct Answer: Option (d)

Explanation: The distinction between public and private goods is important because the market system is generally well-suited to providing private goods, but less effective at providing public goods. Public goods may be underproduced by the market because they are non-excludable and non-rivalrous, meaning that people can benefit from them without paying for them, and private firms may not have an incentive to produce them. This is why public goods are often provided by governments, through taxation and public spending.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q28) What is an externality?**

a) A cost or benefit of a transaction that affects a third party

b) The cost of production for a firm

c) The benefit gained by a consumer from a transaction

d) The revenue earned by a firm from a transaction

Correct Answer: Option (a)

Explanation: An externality is a cost or benefit of a transaction that affects a third party who is not involved in the transaction. In other words, an externality is an unintended consequence of an economic activity that affects someone who did not choose to be involved in the activity. Externalities can be positive, such as when a new park is built and nearby property values increase, or negative, such as when a factory pollutes a nearby river and harms the health of people living downstream. Externalities can create market failures and inefficiencies, as the costs or benefits of the externality are not reflected in the market price.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q29) What is the law of demand?**

a) As the price of a good or service increases, the quantity demanded of it decreases.

b) As the price of a good or service increases, the quantity demanded of it increases.

c) As the price of a good or service decreases, the quantity supplied of it decreases.

d) As the price of a good or service decreases, the quantity demanded of it increases.

Correct Answer: Option (a)

Explanation: The law of demand states that as the price of a good or service increases, the quantity demanded of it decreases, and as the price of a good or service decreases, the quantity demanded of it increases. This inverse relationship between price and quantity demanded is a fundamental concept in economics and is based on the assumption that consumers seek to maximize their utility or satisfaction from the consumption of goods and services. Therefore, as the price of a good or service increases, consumers will generally seek to substitute it with a cheaper alternative or reduce their overall consumption. Conversely, as the price of a good or service decreases, consumers will tend to increase their consumption of that good or service or buy more of it.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q30) What is GDP?**

a) The total value of all goods and services produced in a country in a year

b) The total value of all goods produced in a country in a year

c) The total value of all services produced in a country in a year

d) The total value of all imports and exports in a country in a year

Correct Answer: Option (a)

Explanation: GDP (Gross Domestic Product) is a measure of the economic performance of a country and represents the total monetary value of all goods and services produced within a country's borders over a specified period of time, typically a year. It includes the value of all final goods and services produced in the country, regardless of the nationality of the firms or individuals producing them. GDP is widely used as a measure of a country's economic growth and is an important indicator of its overall economic health.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q31) What is specialisation?**

a) The concentration of workers and resources on the production of a limited range of goods and services.

b) The process of producing goods and services for domestic use only.

c) The exchange of goods and services between countries without the use of money.

d) The total value of all goods and services produced in a country in a year.

Correct Answer: Option (a)

Explanation: Specialisation refers to the concentration of workers and resources on the production of a limited range of goods and services. It involves dividing the production process into different tasks and assigning each task to different workers or groups of workers who are specialized in that particular task. Specialisation leads to increased productivity and efficiency as workers become more skilled at their tasks, and it allows for the production of a greater quantity and variety of goods and services. It also enables countries to trade with each other, as each country can produce the goods and services in which it has a comparative advantage and trade with other countries for the goods and services it needs but cannot produce efficiently.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q32) Which of the following is a form of indirect tax?**

a) Income tax

b) Sales tax

c) Property tax

d) Corporate tax

Correct Answer: Option (b)

Explanation: Indirect taxes are taxes that are levied on goods and services rather than on individuals or businesses directly. Sales tax is a type of indirect tax that is collected by the seller of the good or service and then remitted to the government. It is usually calculated as a percentage of the sale price of the good or service and is added on top of the price that the buyer pays. Examples of other types of indirect taxes include excise tax, value-added tax (VAT), and customs duty.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q33) What is inflation?**

a) A decrease in the overall level of prices

b) An increase in the overall level of prices

c) A decrease in the level of economic output

d) An increase in the level of economic output

Correct Answer: Option (b)

Explanation: Inflation is an increase in the overall level of prices in an economy over a period of time. This means that, on average, the cost of goods and services goes up, and the purchasing power of money decreases. Inflation can be caused by various factors, such as an increase in the money supply, a decrease in the supply of goods and services, or an increase in demand for goods and services. It is measured by the inflation rate, which is the percentage change in the general price level over a given period of time, usually a year. Inflation is an important consideration in economic policy-making and can have significant impacts on consumers, businesses, and the economy as a whole.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q34) What is a monopoly?**

a) A market structure with many buyers and sellers

b) A market structure with a single buyer and many sellers

c) A market structure with a single seller and many buyers

d) A market structure with a few large sellers and many buyers

Correct Answer: Option (c)

Explanation: A monopoly is a market structure in which there is a single seller of a good or service, with no close substitutes, and barriers to entry that prevent other firms from entering the market to compete with the monopolist. As a result, the monopolist has significant market power and can control the price of the good or service they produce. This can lead to higher prices and lower output than would be the case in a competitive market.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q35) What is the difference between a fixed cost and a variable cost?**

a) Fixed costs remain constant regardless of the level of output, while variable costs change with the level of output.

b) Fixed costs change with the level of output, while variable costs remain constant.

c) Fixed costs and variable costs both change with the level of output.

d) Fixed costs and variable costs both remain constant regardless of the level of output.

Correct Answer: Option (a)

Explanation: Fixed costs are costs that do not change with the level of output, such as rent, insurance, and salaries. These costs remain constant regardless of whether the company produces many units or none at all. Variable costs, on the other hand, are costs that change with the level of output, such as raw materials, labour, and utilities. As the level of output increases, variable costs also increase. For example, if a company produces more goods, it needs more raw materials and more labour hours, which increases the variable costs. It is important for businesses to understand the difference between fixed and variable costs, as it can help them make decisions about pricing and production levels.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q36) Which of the following is an example of a public good?**

a) A movie ticket

b) A book

c) Street lighting

d) A car

Correct Answer: Option (c)

Explanation: A public good is a good or service that is non-excludable and non-rivalrous, meaning that once it is provided, it is available for everyone to use and its consumption by one individual does not diminish its availability to others. Street lighting is non-excludable because it is difficult to prevent people from benefiting from the light, and it is non-rivalrous because the consumption of street lighting by one person does not reduce the amount of lighting available to others.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q37) What is the difference between a market economy and a planned economy?**

a) In a market economy, the government controls production, while in a planned economy, production is based on supply and demand.

b) In a market economy, production is based on supply and demand, while in a planned economy, the government controls production.

c) Market economies are only found in developed countries, while planned economies are only found in developing countries.

d) There is no difference between a market economy and a planned economy.

Correct Answer: Option (b)

Explanation: In a market economy, production decisions are made based on the forces of supply and demand, as determined by consumers and businesses. Prices act as signals to producers and consumers, guiding the allocation of resources and the production of goods and services. The government's role is limited to ensuring that markets are competitive and that property rights are respected. In contrast, in a planned economy, the government sets production targets, decides what goods and services will be produced, and directs the allocation of resources. Prices are set by the government rather than by supply and demand, and the government may also control the distribution of goods and services. The goal of a planned economy is to allocate resources efficiently and achieve specific economic and social goals, such as reducing inequality or promoting national security.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q38) What is a trade-off?**

a) The act of buying and selling goods and services

b) The act of making a decision between two or more alternatives

c) The cost of producing a good or service

d) The benefit gained from a decision

Correct Answer: Option (b)

Explanation: A trade-off is the act of making a decision between two or more alternatives, where choosing one option usually means giving up something else. In other words, a trade-off involves weighing the costs and benefits of different choices and deciding which option to pursue based on the opportunity cost of the alternative options. For example, if a consumer decides to buy a new car, the trade-off may be giving up the opportunity to take a vacation or save money for retirement.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q39) What is the role of the government in a market economy?**

a) To own and control all the factors of production

b) To regulate the market to ensure fairness

c) To determine the prices of goods and services

d) To allow the market to operate freely without any government intervention

Correct Answer: Option (b)

Explanation: In a market economy, the role of the government is to regulate the market to ensure fairness and protect the rights of individuals and businesses. This includes enforcing property rights, ensuring a level playing field for competition, and providing public goods and services that the market cannot provide efficiently on its own, such as national defence and basic infrastructure. The government also sets and enforces rules and standards for safety, health, and the environment, and may intervene in the market to correct market failures or address externalities.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q40) Which of the following is an example of a non-renewable resource?**

a) Solar energy

b) Coal

c) Wind energy

d) Water

Correct Answer: Option (b)

Explanation: A non-renewable resource is a natural resource that cannot be replenished or regenerated in a short period of time. Coal, along with other fossil fuels like oil and natural gas, is a non-renewable resource because it takes millions of years to form and once it is used up, it cannot be easily replaced. Other examples of non-renewable resources include minerals and metals such as gold, silver, and copper.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q41) What is market equilibrium?**

a) The point where the supply of a good or service exceeds the demand

b) The point where the demand for a good or service exceeds the supply

c) The point where the price of a good or service is at its lowest

d) The point where the quantity demanded and quantity supplied of a good or service are equal

Correct Answer: Option (d)

Explanation: Market equilibrium is the point where the quantity of a good or service that buyers are willing and able to purchase equals the quantity of the good or service that sellers are willing and able to produce and offer for sale. At market equilibrium, there is no excess supply or demand for the good or service, and the price is stable. The market equilibrium price and quantity are determined by the interaction of supply and demand in the market. If the price is above the market equilibrium price, there will be excess supply, and the price will tend to fall. If the price is below the market equilibrium price, there will be excess demand, and the price will tend to rise.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q42) What is the difference between a recession and a depression?**

a) A recession is a short-term economic decline, while depression is a long-term economic decline

b) A recession is a long-term economic decline, while depression is a short-term economic decline

c) A recession is a decline in economic growth, while depression is a complete collapse of the economy

d) A recession and a depression are the same things

Correct Answer: Option (a)

Explanation: A recession is a period of declining economic activity, typically characterized by a contraction in GDP, rising unemployment, and declining consumer and business confidence. A recession is usually considered to be a temporary economic downturn that lasts for a few months to a year or so. A depression, on the other hand, is a severe and prolonged recession that lasts for several years or more. Depressions are typically characterized by very high levels of unemployment, declining GDP, and significant declines in industrial production and investment. Depressions are less common than recessions and can have long-lasting effects on an economy, often requiring significant government intervention to stimulate economic growth.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q43) What is the difference between a subsidy and a tax?**

a) A subsidy is a payment made by the government to producers, while a tax is a payment made by producers to the government

b) A subsidy is a payment made by producers to the government, while a tax is a payment made by the government to producers

c) A subsidy is a reduction in the price of a good or service, while a tax is an increase in the price of a good or service

d) A subsidy and a tax are the same things

Correct Answer: Option (a)

Explanation: A subsidy is a form of financial assistance given by the government to producers or consumers of a good or service to encourage production or consumption. Subsidies can be in the form of direct payments, tax breaks, or government loans. On the other hand, a tax is a financial charge imposed by the government on goods, services, income, or property to raise revenue or discourage certain activities. Taxes can be levied on individuals, businesses, or the economy as a whole. Taxes can be used to fund public services, reduce demand for certain goods, or incentivize certain behaviours.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q44) Which of the following is an example of a capital resource?**

a) A tractor used for farming

b) A farmer's knowledge of planting techniques

c) A fish caught in a river

d) A piece of land used for farming

Correct Answer: Option (a)

Explanation: Capital resources refer to man-made goods, such as tools, equipment, and machinery that are used in the production process to create other goods and services. In this case, a tractor is a capital resource that can be used to plough fields and plant crops, which can increase the efficiency and productivity of farming operations.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q45) Which of the following is not an objective of the government in an economy?**

a) Maintaining law and order

b) Providing public goods and services

c) Ensuring equity and social justice

d) Maximising profits for businesses

Correct Answer: Option (d)

Explanation: While businesses aim to maximise profits, it is not an objective of the government in an economy. The primary role of the government is to create an environment that fosters economic growth, stability and sustainability, and to ensure that the economy functions in a way that benefits society as a whole. This includes maintaining law and order, providing public goods and services, ensuring equity and social justice, and promoting economic development.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q46) What is the main function of the price system in a market economy?**

a) To allocate resources efficiently

b) To ensure equity and social justice

c) To promote political stability

d) To regulate government spending

Correct Answer: Option (a)

Explanation: In a market economy, the price of a good or service is determined by the forces of supply and demand. When the demand for a good or service is high and the supply is limited, the price tends to rise. This higher price signals to producers that there is a profitable market for that good or service, and they are encouraged to produce more of it. On the other hand, when the demand for a good or service is low and the supply is high, the price tends to fall. This lower price signals to producers that there is less demand for that good or service, and they may choose to produce less of it or switch to producing something else. Therefore, the price system helps to allocate resources efficiently by directing producers to produce the goods and services that are most in demand by consumers, while also ensuring that resources are not wasted on goods and services that are not in demand.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q47) What is the difference between a need and a want?**

a) Needs are necessary for survival, wants are not necessary

b) Needs and wants are the same things

c) Needs are desires for goods and services, and wants are necessities for survival

d) Needs and wants are both desires for goods and services, but needs are more urgent

Correct Answer: Option (a)

Explanation: A need is something that is required for survival and basic well-being, such as food, water, shelter, and clothing. In contrast, a want is something that is desired but not necessary for survival or well-being, such as luxury items like designer clothes or expensive cars. While needs are essential for survival, wants are often shaped by cultural and societal influences and can vary from person to person. Understanding the difference between needs and wants is important in making decisions about how to allocate resources and prioritize spending.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q48) Which of the following is an example of a positive economic statement?**

a) The government should increase taxes on the wealthy

b) Higher education should be free for all students

c) The unemployment rate is currently 5%

d) Climate change is the most pressing issue of our time

Correct Answer: Option (c)

Explanation: A positive economic statement is a statement that can be tested and proven or disproven with data and facts. It describes what is or what will be, without expressing any value judgment or opinions. The statement "The unemployment rate is currently 5%" is a positive economic statement because it can be measured and verified with data. It does not express any opinion or value judgment about whether the current unemployment rate is good or bad.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q49) Which of the following is a characteristic of a market economy?**

a) The government controls all economic activity

b) Resources are allocated by the central planning committee

c) Prices are determined by supply and demand

d) There is no private property

Correct Answer: Option (c)

Explanation: In a market economy, prices are set by the interactions of buyers and sellers in the market, with no central authority or planning committee controlling the process. This means that the market determines the price of goods and services based on the level of supply and demand in the economy. This system encourages competition, innovation, and efficiency, as producers are incentivized to lower their costs and improve their products in order to attract more customers.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q50) Which of the following is a measure of economic growth?**

a) Inflation rate

b) Unemployment rate

c) Gross Domestic Product (GDP)

d) Consumer Price Index (CPI)

Correct Answer: Option (c)

Explanation: GDP includes all final goods and services produced within a country, regardless of who owns the means of production. It can be calculated using the expenditure approach, which measures the total spending on goods and services, the income approach, which measures the total income earned by households and firms, or the production approach, which measures the total value added by each industry in the economy.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q51) Which of the following is an example of a traditional economy?**

a) The United States

b) Japan

c) India

d) A small village in Africa

Correct Answer: Option (d)

Explanation: A traditional economy is an economic system in which traditions, customs, and beliefs shape the goods and services produced, as well as the distribution and consumption of these goods and services. In a traditional economy, economic decisions are based on customs and beliefs that have been handed down from generation to generation. A small village in Africa is a good example of a traditional economy because it may rely on subsistence farming, hunting, and gathering to meet the basic needs of the community. The production and consumption of goods and services in this type of economy are often determined by social customs and religious practices rather than market forces.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q52) Which of the following is an example of a mixed economy?**

a) China

b) North Korea

c) Russia

d) Saudi Arabia

Correct Answer: Option (a)

Explanation: A mixed economy is an economic system that combines elements of both market and command economies. In a mixed economy, economic decisions are made through the interaction of market forces and government policies, and both private and public ownership of resources and industries are present. China is a good example of a mixed economy because it has a combination of state-owned enterprises and privately-owned businesses. While the government has significant control over the economy and sets economic policies, private enterprise and market forces also play an important role in determining the allocation of resources and the production and consumption of goods and services.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q53) Which of the following is an example of a public good?**

a) A private jet

b) A bridge

c) A luxury yacht

d) A diamond necklace

Correct Answer: Option (b)

Explanation: A public good is a good or service that is non-excludable, meaning that it is available to all members of society, and non-rivalrous, meaning that one person's use of the good does not diminish its availability for others. A bridge is an example of a public good because it can be used by anyone in the community and its use by one person does not prevent others from using it as well.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q54) Which of the following is a characteristic of a command economy?**

a) Private property rights are strongly protected

b) Resources are allocated by the interaction of buyers and sellers

c) The government controls all economic activity

d) Economic decisions are based on customs and traditions

Correct Answer: Option (c)

Explanation: A command economy is an economic system in which the government makes all decisions about what goods and services will be produced, how they will be produced, and for whom they will be produced. The government also owns and controls all resources and industries. In a command economy, there is little to no private ownership of property, and economic decisions are based on central planning by the government rather than market forces or individual preferences.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q55) What is the meaning of Opportunity Cost?**

a) The cost of an item

b) The cost of the next best alternative is forgone

c) The total cost of production

d) The cost of labour

Correct Answer: Option (b)

Explanation: Opportunity cost is the value of the next best alternative that is foregone when a choice is made. It is the cost of choosing one option over another and represents the benefits that could have been gained from the next best alternative. Opportunity cost is not necessarily a monetary cost but can also include time, effort, and other resources that are used in making a decision. It is an important concept in economics because it helps individuals and businesses make more informed decisions about how to allocate their scarce resources.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q56) Which of the following is a direct tax?**

a) Sales tax

b) Excise tax

c) Income tax

d) Value Added Tax

Correct Answer: Option (c)

Explanation: A direct tax is a tax that is paid directly by an individual or entity to the government. It is usually based on the income or wealth of the individual or entity. Income tax is a direct tax because it is paid directly by individuals on their income and is levied by the government on an annual basis. In contrast, sales tax, excise tax, and value-added tax are indirect taxes, as they are levied on goods and services and are paid by consumers when they purchase these goods and services.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q57) Which of the following is NOT a function of the Reserve Bank of India?**

a) Regulating the supply of money

b) Conducting monetary policy

c) Issuing currency

d) Regulating the stock market

Correct Answer: Option (d)

Explanation: The Reserve Bank of India (RBI) is the central bank of India and performs various functions to ensure the stability and growth of the Indian economy. Its functions include regulating the supply of money, conducting monetary policy, issuing currency, and regulating the banking sector. However, the RBI is not responsible for regulating the stock market in India, which is overseen by the Securities and Exchange Board of India (SEBI).

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q58) What is the difference between economic growth and economic development?**

a) Economic growth refers to an increase in real GDP, while economic development refers to a broader range of factors that improve people's standard of living.

b) Economic growth refers to a decrease in real GDP, while economic development refers to an increase in real GDP.

c) Economic growth and economic development are the same things.

d) Economic growth refers to an increase in the rate of inflation, while economic development refers to a decrease in the rate of inflation.

Correct Answer: Option (a)

Explanation: Economic growth is a measure of the increase in the production of goods and services in an economy over a period of time, usually measured by an increase in real GDP. Economic development, on the other hand, refers to a broader range of factors, including improvements in education, healthcare, infrastructure, and technology that contribute to an overall improvement in the standard of living of a country's population. Economic development aims to achieve sustainable growth and reduce poverty, while economic growth is primarily focused on increasing output and production.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q59) Which of the following is a feature of a mixed economy?**

a) Private ownership of all resources

b) Central planning by the government

c) Freedom of choice for consumers and producers

d) Government ownership of all resources

Correct Answer: Option (c)

Explanation: A mixed economy is an economic system that combines elements of both capitalism and socialism. In a mixed economy, there is a mix of private and public ownership of resources, and the government plays a role in regulating economic activity. However, consumers and producers have some degree of freedom to make their own choices regarding what goods and services to produce and consume. This freedom of choice is a key feature of a mixed economy and distinguishes it from a command economy where the government makes all economic decisions.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q60) What is the primary function of the International Monetary Fund (IMF)?**

a) To promote international trade

b) To provide loans to member countries

c) To regulate the global financial system

d) To promote economic growth in developing countries

Correct Answer: Option (b)

Explanation: The International Monetary Fund (IMF) is an international organization that was created to promote international monetary cooperation and exchange rate stability, facilitate balanced international trade, and provide resources to help member countries in need of financial assistance. The primary function of the IMF is to provide loans to member countries that are experiencing economic difficulties, typically due to balance of payments problems. The IMF also provides policy advice and technical assistance to help countries strengthen their economic policies and institutions.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q61) Which of the following is a characteristic of a perfectly competitive market?**

a) High barriers to entry

b) A small number of firms

c) Homogeneous products

d) Price control by individual firms

Correct Answer: Option (c)

Explanation: A perfectly competitive market is a market in which there are many buyers and sellers, all selling identical products. In this type of market, no single seller can control the price of the product, and each seller must accept the market price for the product. There are no barriers to entry or exit, meaning that new firms can easily enter the market and existing firms can easily exit. The key characteristic of a perfectly competitive market is the homogeneity of products, which means that all products are identical and there are no differences in quality or features.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q62) What is the difference between a progressive tax and a regressive tax?**

a) A progressive tax places a higher burden on low-income individuals, while a regressive tax places a higher burden on high-income individuals.

b) A progressive tax places a higher burden on high-income individuals, while a regressive tax places a higher burden on low-income individuals.

c) A progressive tax is a flat tax, while a regressive tax is based on income levels.

d) A progressive tax is a tax on income, while a regressive tax is a tax on consumption.

Correct Answer: Option (b)

Explanation: A progressive tax is a tax system in which the rate of taxation increases as income increases. It places a higher burden on high-income individuals. A regressive tax, on the other hand, is a tax system in which the rate of taxation decreases as income increases. It places a higher burden on low-income individuals.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q63) What is the difference between nominal GDP and real GDP?**

a) Nominal GDP is adjusted for inflation, while real GDP is not.

b) Real GDP is adjusted for inflation, while nominal GDP is not.

c) Nominal GDP is a measure of the actual value of goods and services produced, while real GDP is a measure of the value adjusted for population growth.

d) Real GDP is a measure of the actual value of goods and services produced, while nominal GDP is a measure of the value adjusted for inflation.

Correct Answer: Option (b)

Explanation: Nominal GDP is a measure of the value of goods and services produced in a given period, expressed in current prices. Real GDP, on the other hand, is a measure of the value of goods and services produced in a given period, adjusted for inflation. Real GDP is considered a more accurate measure of economic growth than nominal GDP because it accounts for changes in the value of money over time.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q64) Which of the following is an example of a merit good?**

a) Private healthcare

b) Private education

c) Public healthcare

d) Luxury goods

Correct Answer: Option (c)

Explanation: A merit good is a good or service that provides a benefit to society as a whole, but may not be provided in sufficient quantities by the market. Public healthcare is an example of a merit good because it provides a benefit to society by improving public health, but may not be provided in sufficient quantities by the market because of market failures such as information asymmetry and externalities.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q65) Which of the following is an example of a public good?**

a) Private schools

b) Public libraries

c) Private hospitals

d) Private parks

Correct Answer: Option (b)

Explanation: A public good is a good or service that is non-excludable and non-rivalrous in consumption, meaning that it is available to everyone and one person's use of it does not reduce its availability to others. Public libraries fit this definition because anyone can use them, and one person's use of a book does not prevent others from using it as well.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q66) What is the opportunity cost of a decision?**

a) The financial cost of the decision.

b) The benefits of the decision.

c) The value of the next best alternative that was foregone.

d) The potential gains from the decision.

Correct Answer: Option (c)

Explanation: The opportunity cost of a decision is the value of the next best alternative that was foregone as a result of choosing one option over another. In other words, it is the cost of the forgone opportunity, such as the potential income or benefits that could have been gained if the decision had been different.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q67) Which of the following is a non-economic activity?**

a) Production of goods and services

b) Volunteering for a charity

c) Investment in the stock market

d) Purchasing a car

Correct Answer: Option (b)

Explanation: A non-economic activity is an activity that is not performed for monetary gain. Volunteering for a charity is an example of a non-economic activity, as it is typically performed for social or personal reasons rather than for profit.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q68) Which of the following is an example of an opportunity cost?**

a) The cost of raw materials for a business

b) The cost of labour for a business

c) The revenue earned by a business

d) The revenue that a business could have earned by pursuing a different opportunity

Correct Answer: Option (d)

Explanation: Opportunity cost is the cost of the best alternative for when making a decision. The revenue that a business could have earned by pursuing a different opportunity represents the potential benefit that was lost by choosing the current opportunity.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q69) Which of the following is an example of a positive externality?**

a) Pollution from a factory

b) The use of public transportation

c) The consumption of alcohol

d) The consumption of cigarettes

Correct Answer: Option (b)

Explanation: A positive externality is a benefit that is received by a third party as a result of an economic transaction. The use of public transportation can have positive externalities, such as reducing traffic congestion and air pollution, which benefit the community as a whole.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q70) Which of the following is a characteristic of a monopoly?**

a) Many firms producing similar products

b) A single firm producing a unique product

c) A few firms producing a differentiated product

d) No firms producing a particular product

Correct Answer: Option (b)

Explanation: A monopoly is a market structure in which a single firm dominates the market and has the ability to set prices. This occurs when the firm is the sole producer of a unique product, giving it control over the market.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q71) Which of the following is an example of fiscal policy?**

a) The Federal Reserve changing interest rates

b) The government increases spending on infrastructure

c) The government removing trade barriers

d) The government providing subsidies to a specific industry

Correct Answer: Option (b)

Explanation: Fiscal policy refers to the use of government spending and taxation to influence the economy. Increasing spending on infrastructure is an example of fiscal policy, as it is a direct action taken by the government to stimulate economic growth.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q72) Which of the following is an example of a command economy?**

a) The United States

b) Japan

c) China

d) India

Correct Answer: Option (c)

Explanation: A command economy is an economic system in which the government makes all economic decisions. China is an example of a command economy, as the government controls the means of production and sets the prices of goods and services.

Thus, the correct answer is option (c).

Difficulty Level- Easy

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**Q73) Which of the following is a characteristic of a market economy?**

a) The government controls all economic decisions

b) Private individuals own and control the means of production

c) Economic decisions are made by tradition and custom

d) All individuals receive an equal share of goods and services

Correct Answer: Option (b)

Explanation: A market economy is an economic system in which the means of production are privately owned and operated for profit. This means that private individuals, rather than the government, control economic decisions and determine the prices of goods and services.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q74) Which of the following is a type of unemployment?**

a) Inflationary unemployment

b) Seasonal unemployment

c) Cyclical unemployment

d) Structural unemployment

Correct Answer: Option (b)

Explanation: Seasonal unemployment is a type of unemployment that occurs when workers are unemployed because their jobs are only available during certain seasons or times of the year. Examples of seasonal jobs include lifeguarding in the summer and retail sales during the holiday season.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q75) Which of the following is a characteristic of perfect competition?**

a) A large number of firms in the market

b) Firms produce identical products

c) Firms have no control over prices

d) All of the above

Correct Answer: Option (d)

Explanation: Perfect competition is a market structure in which there are many small firms that produce identical products and have no control over prices. This means that prices are set by the market and there is no individual firm that can influence the market price.

Thus, the correct answer is option (d).

Difficulty Level- Easy

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**Q76) Which of the following is a type of market failure?**

a) Monopoly power

b) Competition

c) Perfect information

d) Elastic demand

Correct Answer: Option (a)

Explanation: Market failure occurs when the market fails to allocate resources efficiently, resulting in a suboptimal outcome for society. Monopoly power is a type of market failure, as it leads to higher prices and reduced output compared to a competitive market.

Thus, the correct answer is option (a).

Difficulty Level- Easy

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**Q77) Which of the following is a measure of income inequality?**

a) GDP per capita

b) Gini coefficient

c) Inflation rate

d) Unemployment rate

Correct Answer: Option (b)

Explanation: The Gini coefficient is a measure of income inequality, ranging from 0 to 1. A score of 0 indicates perfect equality, while a score of 1 indicates complete inequality, where one person or group has all the income.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q78) Which of the following is a characteristic of monopolistic competition?**

a) A large number of firms in the market

b) Firms produce identical products

c) Firms have some control over prices

d) Barriers to entry are low

Correct Answer: Option (c)

Explanation: Monopolistic competition is a market structure in which there are many small firms that produce differentiated products and have some control over prices. This means that firms can differentiate their products and charge different prices based on their unique features.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q79) Which of the following is a type of inflation?**

a) Deflation

b) Reflation

c) Stagflation

d) Inflation targeting

Correct Answer: Option (c)

Explanation: Stagflation is a type of inflation that occurs when the economy experiences both high inflation and high unemployment. This can happen when there is a supply shock that reduces the output of goods and services, leading to higher prices and lower employment.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q80) Which of the following is a characteristic of a mixed economy?**

a) The government makes all economic decisions

b) Private individuals own and control the means of production

c) Economic decisions are made by tradition and custom

d) Both the government and private individuals play a role in economic decisions

Correct Answer: Option (d)

Explanation: A mixed economy is an economic system in which both the government and private individuals play a role in economic decisions. This means that the government provides some public goods and services, while private individuals own and operate businesses for profit.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q81) Which of the following is a type of fiscal policy?**

a) Monetary policy

b) Tax policy

c) Interest rate policy

d) Exchange rate policy

Correct Answer: Option (b)

Explanation: Fiscal policy refers to the use of government spending and taxation to influence the economy. Tax policy is a type of fiscal policy that involves changing the tax rates on individuals and businesses to stimulate or slow down economic growth.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q82) Which of the following is a characteristic of oligopoly?**

a) A large number of firms in the market

b) Firms produce identical products

c) Firms have some control over prices

d) Barriers to entry are low

Correct Answer: Option (c)

Explanation: Oligopoly is a market structure in which there are a small number of large firms that dominate the market and have some control over prices. This means that firms can collude and coordinate their actions to set prices and limit competition.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q83) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following statements is true regarding poverty in India?**

a) Poverty has been completely eradicated in India due to the implementation of NREGA and PDS.

b) NREGA and PDS have had no impact on reducing poverty in India.

c) Poverty remains a significant issue in India despite the implementation of NREGA and PDS.

d) Poverty has increased in India due to the implementation of NREGA and PDS.

Correct Answer: Option (c)

Explanation: While the implementation of NREGA and PDS has had some impact on reducing poverty in India, poverty remains a significant issue in the country. According to the World Bank, over 200 million people in India still live in poverty. This highlights the need for more comprehensive and effective measures to address the issue of poverty in the country.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q84) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following statements is true regarding free trade agreements?**

a) FTAs always lead to increased economic growth and efficiency.

b) FTAs always lead to job losses and unequal distribution of benefits.

c) The impact of FTAs on the economy depends on the specific terms of the agreement and the economic conditions of the countries involved.

d) The impact of FTAs on the economy depends only on the economic conditions of the countries involved.

Correct Answer: Option (c)

Explanation: The impact of FTAs on the economy can vary depending on the specific terms of the agreement and the economic conditions of the countries involved. While proponents argue that FTAs lead to increased economic growth and efficiency, opponents argue that they can lead to job losses and unequal distribution of benefits. However, the actual impact of FTAs on the economy depends on factors such as the specific terms of the agreement, the economic conditions of the countries involved, and the sectors of the economy that are affected. Therefore, it is important to carefully analyse the potential impact of FTAs before entering into them.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q85) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following statements is true regarding inflation?**

a) Inflation always leads to negative effects on the economy.

b) Some level of inflation is necessary for economic growth, but too much inflation can be harmful.

c) Inflation is not necessary for economic growth.

d) Inflation has no impact on the economy.

Correct Answer: Option (b)

Explanation: Inflation can have both positive and negative effects on the economy. While some level of inflation is necessary for economic growth, too much inflation can lead to a decrease in purchasing power and can harm the economy. Additionally, inflation can lead to uncertainty and instability in the economy, which can negatively impact businesses and consumers. Therefore, it is important for policymakers to carefully monitor and manage inflation to ensure that it is at a reasonable level that promotes economic growth without causing harm.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q86) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following statements is true regarding a fiscal policy?**

a) Fiscal policy is only used during times of recession.

b) Fiscal policy is only used during times of inflation.

c) Fiscal policy can be used to both stimulate growth and slow growth, depending on the state of the economy.

d) Fiscal policy has no impact on the economy.

Correct Answer: Option (c)

Explanation: Fiscal policy is a flexible tool that can be used in both recessionary and inflationary environments. During a recession, the government may increase spending and reduce taxes to stimulate demand and economic activity. Conversely, during a period of high inflation, the government may reduce spending and increase taxes to reduce demand and slow economic growth. The effectiveness of the fiscal policy, however, depends on a number of factors such as the size of the fiscal stimulus and the response of households and businesses to changes in policy. Therefore, policymakers must carefully consider the state of the economy and the impact of the fiscal policy before making any adjustments.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q87) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is true regarding open market operations?**

a) Open market operations involve the buying and selling of government securities by commercial banks.

b) Open market operations involve the buying and selling of government securities by the central bank.

c) Open market operations involve the buying and selling of corporate bonds by commercial banks.

d) Open market operations involve the buying and selling of corporate bonds by the central bank.

Correct Answer: Option (b)

Explanation: Open market operations are a key tool used by central banks to influence the money supply and achieve monetary policy goals. The central bank buys or sells government securities in the open market, thereby affecting the amount of money in circulation. When the central bank buys securities, it injects money into the economy, increasing the money supply. Conversely, when the central bank sells securities, it removes money from circulation, decreasing the money supply. The buying and selling of government securities are carried out by the central bank, not commercial banks or other financial institutions. Therefore, option b) is the correct answer.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q88) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is an example of contractionary fiscal policy?**

a) The government increases spending on infrastructure projects.

b) The government decreases taxes on businesses.

c) The government decreases spending on social welfare programs.

d) The government provides subsidies to farmers.

Correct Answer: Option (c)

Explanation: Contractionary fiscal policy is designed to slow down economic growth and reduce inflation. When the government decreases spending, it reduces the amount of money in circulation, which can help to control inflation. Decreasing spending on social welfare programs is an example of contractionary fiscal policy because it reduces government expenditures and puts less money into the hands of consumers. This can help to slow down economic growth and reduce inflationary pressures.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q89) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is an exception to the law of demand?**

a) An increase in the price of a normal good leads to an increase in the quantity demanded.

b) A decrease in the price of a normal good leads to a decrease in the quantity demanded.

c) An increase in the price of a luxury good leads to a decrease in the quantity demanded.

d) A decrease in the price of a luxury good leads to a decrease in the quantity demanded.

Correct Answer: Option (c)

Explanation: According to the law of demand, the quantity demanded of a product decreases as its price increases, all other factors being equal. However, in the case of luxury goods, an increase in price may actually increase demand due to their perceived exclusivity and status. This is because consumers may perceive luxury goods as more valuable and desirable when they have a higher price tag.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q90) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the percentage change in the total revenue of the company between the second and third years?**

a) 10%

b) 5%

c) -5%

d) -10%

Correct Answer: Option (c)

Explanation: In the second year, the company sold 12,000 units at Rs. 500 per unit, resulting in total revenue of Rs. 60,00,000. In the third year, the company sold 9,000 units at Rs. 550 per unit, resulting in total revenue of Rs. 49,50,000. Therefore, the percentage change in the total revenue between the second and third years can be calculated as follows:

Therefore, the percentage change in the total revenue of the company between the second and third years is -5% (rounded to the nearest whole number).

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q91) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**If the price of goods increases and the quantity demanded of that good decreases, what can we conclude according to the law of demand?**

a) The law of demand does not apply in this situation.

b) The law of demand is only partially applicable in this situation.

c) The law of demand is fully applicable in this situation.

d) The law of demand is irrelevant in this situation.

Correct Answer: Option (c)

Explanation: According to the law of demand, as the price of a good or service increases, the quantity demanded of that good or service decreases, and vice versa. Therefore, when the price of goods increases and the quantity demanded of that good decreases, it is a clear indication that the law of demand is fully applicable in this situation. This relationship is based on the assumption that all other factors, such as consumer income and tastes, remain constant. It is important to note that the law of demand is one of the fundamental concepts in economics and has significant implications for businesses, governments, and individuals in making decisions about production, consumption, and pricing.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q92) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the purpose of a sin tax?**

a) To encourage people to engage in harmful activities

b) To raise revenue for the government

c) To reduce the availability of harmful products

d) To promote economic growth

Correct Answer: Option (b)

Explanation: The purpose of a sin tax is to raise revenue for the government by taxing products or activities that are deemed harmful to society. These taxes are often used to fund programs that address the negative effects of these activities, such as public health programs or addiction treatment programs. While sin taxes may also have the effect of reducing the availability of harmful products, their primary purpose is to raise revenue for the government.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q93) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the relationship between the price elasticity of demand for cigarettes and the effectiveness of a tax on cigarettes to discourage smoking?**

a) A tax on cigarettes is more effective at discouraging smoking when the price elasticity of demand for cigarettes is high.

b) A tax on cigarettes is more effective at discouraging smoking when the price elasticity of demand for cigarettes is low.

c) The price elasticity of demand for cigarettes has no effect on the effectiveness of a tax on cigarettes to discourage smoking.

d) A tax on cigarettes does not affect the price elasticity of demand for cigarettes.

Correct Answer: Option (a)

Explanation: The price elasticity of demand measures the responsiveness of the quantity demanded of a good to a change in its price. If the price elasticity of demand for cigarettes is high, then a tax on cigarettes will result in a relatively larger reduction in the number of cigarettes demanded compared to the increase in price. In other words, smokers will be more sensitive to the increase in price and may reduce cigarette consumption or switch to cheaper brands. On the other hand, if the price elasticity of demand for cigarettes is low, then a tax on cigarettes will result in a relatively smaller reduction in the number of cigarettes demanded compared to the increase in price. This means that smokers will be less sensitive to the increase in price and may continue to consume cigarettes at the same rate. Therefore, the effectiveness of a tax on cigarettes to discourage smoking depends on the price elasticity of demand for cigarettes.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q94) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following market structures is characterised by a large number of small firms producing identical products, easy entry and exit, and perfect information?**

a) Monopolistic competition

b) Oligopoly

c) Monopoly

d) Perfect competition

Correct Answer: Option (d)

Explanation: Perfect competition is characterised by a large number of small firms producing identical products, easy entry and exit, and perfect information. In perfect competition, there is no single seller or buyer that has any market power, and the price of the product is determined by the market forces of supply and demand. Since there are many firms producing identical products, consumers have perfect information about the price and quality of the products, and can easily switch to another firm if they are not satisfied. This market structure is considered ideal because it promotes efficiency and allocative fairness, ensuring that resources are allocated to their most productive uses.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q95) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the possible effect of rising unemployment on individuals, according to the passage?**

a) Positive impact on mental and emotional well-being

b) Negative impact on mental and emotional well-being

c) No impact on mental and emotional well-being

d) Insufficient information to determine the impact

Correct Answer: Option (b)

Explanation: According to the passage, rising unemployment can have negative impacts on individuals' mental and emotional well-being. The passage states that "In addition to the financial difficulties that come with unemployment, it can also have negative impacts on individuals' mental and emotional well-being." This suggests that unemployment can lead to negative emotions such as stress, anxiety, and depression, which can have adverse effects on an individual's overall well-being.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q96) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the meaning of elastic demand?**

a) A small change in price results in a large change in quantity demanded.

b) A change in price will result in only a small change in quantity demanded.

c) A change in price results in an equal proportional change in quantity demanded.

d) There is no relationship between changes in price and quantity demanded.

Correct Answer: Option (a)

Explanation: Elastic demand occurs when a small change in price results in a large change in quantity demanded. This means that consumers are highly responsive to changes in price and are willing to buy more or less of a product based on small fluctuations in price. The elasticity of demand is an important concept in economics because it helps us understand how changes in price affect the behaviour of consumers and producers in the market.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q97) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the meaning of the terms of trade?**

a) The difference between a country's exports and imports.

b) The ratio at which a country can trade its exports for imports.

c) A country that exports more than it imports.

d) A country that imports more than it exports.

Correct Answer: Option (b)

Explanation: The terms of trade refer to the ratio at which a country can trade its exports for imports. It is a measure of the relative value of a country's exports and imports, and it reflects the competitiveness of a country's exports in the international market. An improvement in a country's terms of trade means that it can purchase more imports for each unit of exports it sells. This is beneficial for a country, as it allows it to increase its standard of living by importing more goods and services. Understanding the terms of trade is important for policymakers and economists, as it helps them evaluate a country's economic performance and identify potential areas for improvement.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q98) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the main characteristic of a monopoly?**

a) High level of competition

b) Complete control over the price of the product

c) No barriers to entry for new firms

d) Equal distribution of market power among firms

Correct Answer: Option (b)

Explanation: The main characteristic of a monopoly is the absence of competition, which allows the monopolist to have complete control over the price of the product. A monopolist has the ability to set a higher price and restrict output, leading to higher profits. This is in contrast to a competitive market, where firms have to price their products competitively to attract customers. However, a lack of competition can lead to inefficiencies in the market, such as higher prices and lower output, which can harm consumers. This is why monopolies are often subject to antitrust laws, which aim to promote competition and prevent the abuse of market power.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q99) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the aim of contractionary fiscal policy?**

a) To increase government spending and stimulate economic growth

b) To decrease government spending and stimulate economic growth

c) To decrease aggregate demand and combat inflation

d) To increase aggregate demand and combat inflation

Correct Answer: Option (c)

Explanation: The aim of contractionary fiscal policy is to decrease aggregate demand and combat inflation. This is done by decreasing government spending or raising taxes, which reduces disposable income and consumer spending. This reduction in spending leads to a decrease in aggregate demand, which can help to reduce inflationary pressures in the economy. Contractionary fiscal policy is often used when the economy is experiencing high inflation or is approaching full employment. In contrast, expansionary fiscal policy is used to increase government spending or cut taxes, which leads to an increase in aggregate demand and economic growth. Understanding fiscal policy is important for policymakers, as it helps them to manage the economy and achieve their macroeconomic goals.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q100) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is demand-pull inflation?**

a) Inflation caused by an increase in demand for goods and services

b) Inflation caused by a decrease in the value of money

c) Inflation caused by an increase in the cost of production

d) Inflation caused by excessive growth in the money supply

Correct Answer: Option (a)

Explanation: Demand-pull inflation is caused by an increase in demand for goods and services, which leads to higher prices. This type of inflation occurs when the economy is operating at or near full employment, and there is limited capacity to produce additional goods and services. As demand for goods and services increases, firms raise prices to capture the excess demand, leading to inflation. This is in contrast to cost-push inflation, which occurs when the cost of producing goods and services increases, and excessive growth in the money supply leads to a decrease in the value of money. Understanding the different causes of inflation is important for policymakers, as it helps them to implement policies to control inflation and maintain price stability in the economy.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q101) What is the main source of income for rural households in India?**

a) Agriculture

b) Manufacturing

c) Services

d) None of the above

Correct Answer: Option (a)

Explanation: Agriculture is the main source of income for rural households in India. Most of the rural population in India is engaged in agriculture, either as farmers or as agricultural labourers.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q102) Which of the following is an indirect tax in India?**

a) Income tax

b) Sales tax

c) Wealth tax

d) None of the above

Correct Answer: Option (b)

Explanation: Sales tax is an indirect tax in India, which is levied on the sale of goods. It is paid by the consumer while purchasing goods and is collected by the seller and deposited with the government.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q103) Which of the following is not a method of calculating national income?**

a) Value-added method

b) Income method

c) Expenditure method

d) Employment method

Correct Answer: Option (d)

Explanation: The employment method is not a method of calculating national income. It is used to estimate the level of employment in the economy. The other three methods - value-added method, income method, and expenditure method - are used to calculate national income.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q104) Which of the following is not a function of the Reserve Bank of India?**

a) Issuing currency notes

b) Regulating the money supply

c) Promoting exports

d) Regulating the banking system

Correct Answer: Option (c)

Explanation: While the Reserve Bank of India (RBI) plays an important role in regulating the banking system, issuing currency notes, and regulating the money supply, promoting exports is not one of its functions. This is the role of the Ministry of Commerce and Industry.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q105) Which of the following is not a feature of economic planning in India?**

a) Public sector dominance

b) Decentralised planning

c) Comprehensive planning

d) Annual plans

Correct Answer: Option (b)

Explanation: Decentralised planning is not a feature of economic planning in India. The Indian planning process is characterised by a centralised approach, with the government playing a dominant role in the planning process. The other three options are key features of economic planning in India.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q106) Which of the following is not a characteristic of a perfectly competitive market?**

a) Large number of buyers and sellers

b) Homogeneous products

c) Free entry and exit of firms

d) Price setting power of individual firms

Correct Answer: Option (d)

Explanation: In a perfectly competitive market, no individual firm has price setting power. The market determines the price of the product based on the forces of demand and supply. The other three options are characteristics of a perfectly competitive market.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q107) Which of the following is not a factor that determines the foreign exchange rate of a currency?**

a) Balance of trade

b) Inflation rate

c) Political stability

d) Gross domestic product

Correct Answer: Option (d)

Explanation: Gross domestic product (GDP) is not a factor that determines the foreign exchange rate of a currency. The other three options - balance of trade, inflation rate, and political stability - are important factors that affect the exchange rate of a currency.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q108) Which of the following is not a source of revenue for the government of India?**

a) Income tax

b) Goods and Services Tax (GST)

c) Corporate tax

d) Goods and commodities tax

Correct Answer: Option (d)

Explanation: Goods and commodities tax is not a source of revenue for the government of India. The correct name of the tax is Goods and Services Tax (GST), and it is one of the main sources of revenue for the government. The other two options - income tax and corporate tax - are also important sources of revenue.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q109) Which of the following is not a type of unemployment?**

a) Frictional unemployment

b) Cyclical unemployment

c) Structural unemployment

d) Agricultural unemployment

Correct Answer: Option (d)

Explanation: Although agriculture is a significant sector of the economy and can experience fluctuations in employment, "agricultural unemployment" is not a recognized type of unemployment in economics. The three main types of unemployment are frictional unemployment, which occurs when people are between jobs and searching for new employment; structural unemployment, which occurs when there is a mismatch between the skills of workers and the needs of employers; and cyclical unemployment, which occurs as a result of fluctuations in the overall economy.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q110) Which of the following is not a feature of the Green Revolution in India?**

a) Use of high-yielding variety seeds

b) Expansion of irrigation facilities

c) Emphasis on organic farming practices

d) Increased use of fertilisers and pesticides

Correct Answer: Option (c)

Explanation: Emphasis on organic farming practices is not a feature of the Green Revolution in India. The Green Revolution was a period of rapid agricultural growth in India, which was achieved through the use of high-yielding variety seeds, expansion of irrigation facilities, and increased use of fertilisers and pesticides. Organic farming practices emphasise the use of natural fertilisers and pesticides, and are not a part of the Green Revolution.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q111) Which of the following is not a component of the Human Development Index (HDI)?**

a) Life expectancy at birth

b) Gross domestic product (GDP) per capita

c) Adult literacy rate

d) Infant mortality rate

Correct Answer: Option (b)

Explanation: Gross domestic product (GDP) per capita is not a component of the Human Development Index (HDI). The other three options - life expectancy at birth, adult literacy rate, and infant mortality rate - are components of the HDI.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q112) Which of the following is not a function of the National Development Council (NDC)?**

a) Formulating five-year plans

b) Coordinating development policies

c) Mobilising resources for development

d) Implementing development programs

Correct Answer: Option (d)

Explanation: Implementing development programs is not a function of the National Development Council (NDC). The NDC is responsible for formulating five-year plans, coordinating development policies, and mobilising resources for development. The implementation of development programs is the responsibility of various government departments and agencies.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q113) Which of the following is not a source of revenue for the government of India?**

a) Income tax

b) Goods and Services Tax (GST)

c) Corporate tax

d) Goods and commodities tax

Correct Answer: Option (d)

Explanation: Goods and commodities tax is not a source of revenue for the government of India. The correct name of the tax is Goods and Services Tax (GST), and it is one of the main sources of revenue for the government. The other three options - income tax, corporate tax, and GST - are important sources of revenue.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q114) Which of the following is not a feature of a mixed economy?**

a) Private ownership of resources

b) Central planning of the economy

c) Government intervention in the market

d) Coexistence of public and private sectors

Correct Answer: Option (b)

Explanation: Central planning of the economy is not a feature of a mixed economy. A mixed economy is characterised by private ownership of resources, government intervention in the market, and the coexistence of public and private sectors. However, the economy is not centrally planned, as is the case with a command economy.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q115) Which of the following is not a factor affecting the supply of a commodity?**

a) Cost of production

b) Technology

c) Price of the commodity

d) Availability of inputs

Correct Answer: Option (c)

Explanation: Price of the commodity is not a factor affecting the supply of a commodity. The other three options - cost of production, technology, and availability of inputs - are factors that influence the supply of a commodity. The price of the commodity is determined by the interaction of demand and supply.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q116) Which of the following is not a method of credit control used by the Reserve Bank of India?**

a) Open market operations

b) Changing the reserve requirement

c) Changing the discount rate

d) Directly financing the government

Correct Answer: Option (d)

Explanation: Directly financing the government is not a method of credit control used by the Reserve Bank of India (RBI). The other three options - open market operations, changing the reserve requirement, and changing the discount rate - are the main methods of credit control used by the RBI. The RBI is not allowed to directly finance the government, as this can lead to inflationary pressures.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q117) Which of the following is an example of a tertiary sector activity?**

a) Farming

b) Manufacturing

c) Banking

d) Mining

Correct Answer: Option (c)

Explanation: Banking is an example of a tertiary sector activity. The tertiary sector, also known as the service sector, includes activities that provide services to individuals and other businesses. Examples include banking, retail, healthcare, and education. The primary sector includes activities related to natural resources, such as farming and mining, while the secondary sector includes manufacturing and construction.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q118) Which of the following is not a challenge faced by Indian agriculture?**

a) Low productivity

b) Lack of irrigation facilities

c) Overproduction of crops

d) Dependence on monsoons

Correct Answer: Option (c)

Explanation: Overproduction of crops is not a challenge faced by Indian agriculture. In fact, low productivity, lack of irrigation facilities, and dependence on monsoons are major challenges that Indian agriculture faces. Overproduction can lead to a glut in the market, causing prices to fall and farmers to incur losses.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q119) Which of the following is not a function of the Securities and Exchange Board of India (SEBI)?**

a) Regulating the securities market

b) Protecting the interests of investors

c) Promoting the development of the securities market

d) Setting the interest rates for loans

Correct Answer: Option (d)

Explanation: Setting the interest rates for loans is not a function of the Securities and Exchange Board of India (SEBI). SEBI is responsible for regulating the securities market, protecting the interests of investors, and promoting the development of the securities market. Setting interest rates for loans is the responsibility of the Reserve Bank of India (RBI).

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q120) Which of the following is not a function of the Reserve Bank of India (RBI)?**

a) Regulating the supply of money

b) Issuing currency notes and coins

c) Regulating foreign exchange transactions

d) Distributing subsidies to farmers

Correct Answer: Option (d)

Explanation: Distributing subsidies to farmers is not a function of the Reserve Bank of India (RBI). The RBI is responsible for regulating the supply of money, issuing currency notes and coins, and regulating foreign exchange transactions. The government is responsible for distributing subsidies to farmers.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q121) Which of the following is a drawback of the Green Revolution in India?**

a) Increased food production

b) Overuse of chemical fertilisers and pesticides

c) Improved quality of agricultural products

d) Lower prices for agricultural products

Correct Answer: Option (b)

Explanation: One of the drawbacks of the Green Revolution in India was the overuse of chemical fertilisers and pesticides. While the Green Revolution increased food production, the excessive use of chemical inputs led to environmental degradation and health concerns for farmers and consumers. The Green Revolution also led to the promotion of high-yielding crop varieties at the expense of traditional crops, leading to a loss of crop diversity.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q122) Which of the following sectors has the highest share in India's GDP?**

a) Agriculture

b) Industry

c) Services

d) Mining

Correct Answer: Option (c)

Explanation: According to the latest data, the services sector has the highest share in India's GDP, accounting for around 54% of the total GDP. The agriculture and mining sectors have a much smaller share, while the industry sector has a share of around 23%.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q123) Which of the following is not a measure of poverty in India?**

a) Poverty line

b) Human Development Index

c) National Rural Employment Guarantee Act

d) Multidimensional Poverty Index

Correct Answer: Option (c)

Explanation: The National Rural Employment Guarantee Act (NREGA) is a social welfare scheme that provides employment to rural households. It is not a measure of poverty in India. The other options are measures of poverty, with the poverty line being a monetary measure, the Human Development Index and Multidimensional Poverty Index being composite measures.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q124) Which of the following is not a characteristic of a developed economy?**

a) High per capita income

b) High levels of literacy and education

c) Technological advancement

d) High levels of income inequality

Correct Answer: Option (d)

Explanation: High levels of income inequality are not a characteristic of a developed economy. In developed economies, there is usually a lower level of income inequality due to a more even distribution of wealth and opportunities. The other options, such as high per capita income, high levels of literacy and education, and technological advancement, are all characteristics of developed economies.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q125) What is the main objective of the National Rural Livelihood Mission (NRLM)?**

a) To provide employment opportunities in urban areas

b) To provide affordable housing in rural areas

c) To improve the livelihoods of rural households

d) To promote industrial development in rural areas

Correct Answer: Option (c)

Explanation: The National Rural Livelihood Mission (NRLM) was launched by the government of India in 2011 with the aim of improving the livelihoods of rural households by providing them with sustainable livelihood opportunities. The mission aims to promote self-employment and wage employment opportunities, and provide access to financial services and market linkages.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q126) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the main objective of the Indian government's policy to promote FDI?**

a) To reduce the competition from foreign companies

b) To restrict the entry of foreign investors in the Indian market

c) To attract capital and technology from foreign investors for the growth and development of the Indian economy

d) To protect the domestic industries from foreign competition

Correct Answer: Option (c)

Explanation: The passage clearly states that the main objective of the Indian government's policy to promote FDI is to attract capital and technology from foreign investors, which can help in the growth and development of the Indian economy. Therefore, option C is the correct answer. Options A and D are incorrect as they are opposite to the main objective of the policy. Option B is also incorrect as the policy is aimed at promoting FDI, not restricting it.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q127) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What were the main components of the Green Revolution in India?**

a) Introduction of high-yielding seeds, reduced use of fertilisers and pesticides, and the expansion of irrigation.

b) Introduction of low-yielding seeds, increased use of fertilisers and pesticides, and the expansion of irrigation.

c) Introduction of high-yielding seeds, increased use of fertilisers and pesticides, and the expansion of irrigation.

d) Introduction of low-yielding seeds, reduced use of fertilisers and pesticides, and the expansion of irrigation.

Correct Answer: Option (c)

Explanation: The passage states that the Green Revolution in India involved the introduction of high-yielding varieties of seeds, increased use of fertilisers and pesticides, and the expansion of irrigation. Therefore, option C is the correct answer. Option A and D are incorrect as they either include reduced use of fertilisers and pesticides or low-yielding seeds, which are not mentioned in the passage. Option B is incorrect as it includes low-yielding seeds instead of high-yielding seeds, which were a key component of the Green Revolution.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q128) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is an example of infrastructure?**

a) Clothing factories

b) Power plants

c) Software development firms

d) Advertising agencies

Correct Answer: Option (b)

Explanation: The passage states that infrastructure includes physical structures such as roads, bridges, airports, and ports, as well as communication networks such as the internet and telephone lines. Power plants are physical structures that provide electricity, which is essential for economic development. Therefore, option B is the correct answer.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q129) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is an example of globalisation?**

a) A government imposing tariffs on imported goods

b) A company outsourcing its customer service to a foreign country

c) A country providing subsidies to its domestic industries

d) A community supporting locally owned businesses

Correct Answer: Option (b)

Explanation: The passage states that globalisation involves the free movement of goods, services, capital, and people across national borders. The outsourcing of customer service to a foreign country is an example of the free movement of services, which is a component of globalisation.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q130) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the poverty line in India based on?**

a) The income of the top 10% of households in the country

b) The cost of a basket of goods and services necessary for a family of four to survive

c) The average income of households in urban areas

d) The amount of government subsidies provided to low-income families

Correct Answer: Option (b)

Explanation: The passage states that in India, the poverty line is calculated based on the cost of a basket of goods and services necessary for a family of four to survive.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q131) Which of the following is NOT a major factor contributing to the slow pace of agricultural growth in India?**

a) Land fragmentation

b) Lack of access to credit

c) Inefficient irrigation systems

d) High levels of mechanisation

Correct Answer: Option (d)

Explanation: High levels of mechanisation in agriculture can actually increase productivity and efficiency, rather than hinder growth. The other options are all significant barriers to agricultural growth in India. Land fragmentation makes it difficult for farmers to achieve economies of scale, lack of access to credit limits investment in farming operations, and inefficient irrigation systems can lead to water wastage and low crop yields.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q132) Which of the following is a characteristic of a mixed economy?**

a) Private ownership of all means of production

b) Centralised decision-making by the government

c) Competition among multiple private businesses

d) Absence of any government intervention in the economy

Correct Answer: Option (c)

Explanation: A mixed economy combines elements of both capitalism (private ownership and competition) and socialism (government intervention). In a mixed economy, the government may regulate certain industries, provide public goods and services, and intervene to correct market failures, while private businesses compete for profits.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q133) Which of the following is NOT a component of human development?**

a) Education

b) Health

c) Income

d) Social inclusion

Correct Answer: Option (c)

Explanation: Income is an important factor in human development, but it is not the only component. The United Nations Development Programme (UNDP) identifies three dimensions of human development: a long and healthy life (health), access to knowledge (education), and a decent standard of living (which includes income but also other factors such as social inclusion and environmental sustainability).

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q134) Which of the following is an example of a public good?**

a) A private university

b) A toll road

c) National defence

d) A luxury hotel

Correct Answer: Option (c)

Explanation: A public good is a good or service that is non-excludable (meaning it is available to everyone) and non-rivalrous (meaning consumption by one individual does not reduce availability for others). National defence is a classic example of a public good, as it benefits everyone and cannot be easily withheld from any individual. The other options are not public goods as they are either excludable (private university, luxury hotel) or rivalrous (toll road).

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q135) Which of the following is a potential drawback of foreign direct investment (FDI)?**

a) Increased competition for domestic firms

b) Reduced access to technology and expertise

c) Increased tax burden on domestic firms

d) Reduced employment opportunities for domestic workers

Correct Answer: Option (a)

Explanation: While FDI can bring benefits such as increased investment and job creation, it can also create challenges for domestic firms. Increased competition from foreign firms may lead to market concentration and displacement of smaller domestic firms. The other options are not necessarily drawbacks of FDI. FDI can bring access to new technology and expertise, and it may even lead to reduced tax burdens if foreign firms are taxed at a higher rate. While FDI may shift employment opportunities towards foreign workers, it can also create new job opportunities for domestic workers.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q136) What is the primary reason for the lack of infrastructure development in India?**

a) Lack of funds and resources

b) Government bureaucracy and corruption

c) Lack of skilled labour

d) Poor planning and implementation

Correct Answer: Option (b)

Explanation: While lack of funds and resources can be a barrier to infrastructure development, the primary reason for the slow progress in India is the bureaucratic red tape and corruption that exists within the government. These factors lead to delays in approvals, mismanagement of funds, and the allocation of contracts to unqualified individuals, all of which impede infrastructure development.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q137) Which sector of the Indian economy employs the largest number of people?**

a) Agriculture

b) Manufacturing

c) Services

d) Construction

Correct Answer: Option (a)

Explanation: Despite the growth of the manufacturing and service sectors in recent years, agriculture remains the largest employer in India, with over 50% of the population dependent on it for their livelihood. This sector is also critical to India's food security and plays a vital role in the country's overall economic growth.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q138) What is the impact of inflation on the Indian economy?**

a) It encourages investment and economic growth

b) It decreases the value of money and reduces purchasing power

c) It leads to increased government spending and stimulates demand

d) It promotes exports and improves the balance of trade

Correct Answer: Option (b)

Explanation: Inflation, which is a sustained increase in the general price level of goods and services, can have negative impacts on the economy. It reduces the value of money, reduces purchasing power, and can lead to a decline in consumer confidence and spending. This can ultimately result in decreased economic growth and a rise in unemployment.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q139) What is the main challenge facing the Indian government in implementing land reforms?**

a) Opposition from wealthy landowners

b) Lack of public awareness and education on land rights

c) Poor implementation and enforcement mechanisms

d) Resistance from marginalised communities who fear losing their land

Correct Answer: Option (a)

Explanation: The main challenge facing the Indian government in implementing land reforms is opposition from wealthy landowners who hold significant political power and are resistant to changes that could threaten their interests. These landowners often use their influence to block reforms, including redistributing land to the landless or improving the rights of tenant farmers.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q140) Which of the following factors has contributed to the high levels of air pollution in Indian cities?**

a) Industrialization and rapid urbanisation

b) Deforestation and loss of green cover

c) Dependence on fossil fuels for energy

d) All of the above

Correct Answer: Option (d)

Explanation: The high levels of air pollution in Indian cities are caused by a combination of factors, including industrialization and rapid urbanisation, deforestation and loss of green cover, and dependence on fossil fuels for energy. These factors have led to increased emissions of pollutants such as particulate matter, nitrogen oxides, and sulphur dioxide, which can have serious health impacts on the population.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q141) Which of the following is not a component of the Human Development Index (HDI)?**

a) Life expectancy

b) Education

c) Income per capita

d) Employment rate

Correct Answer: Option (d)

Explanation: The HDI is a composite index that measures human development based on three components: life expectancy, education, and income per capita. Employment rate is not included as a component of the HDI.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q142) Which of the following is not a goal of India's National Rural Employment Guarantee Act (NREGA)?**

a) Providing employment opportunities to rural households

b) Creating durable assets in rural areas

c) Encouraging sustainable development practices

d) Guaranteeing a minimum wage for all workers

Correct Answer: Option (c)

Explanation: While the NREGA does aim to provide employment opportunities to rural households and create durable assets in rural areas, its primary goal is to guarantee a minimum wage for all workers. The Act does not specifically address sustainable development practices.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q143) Which of the following is not a major component of India's Balance of Payments (BoP) accounts?**

a) Current account

b) Capital account

c) Financial account

d) Trade account

Correct Answer: Option (d)

Explanation: The BoP accounts in India include the current account, capital account, and financial account. The trade account is a component of the current account, which measures a country's exports and imports of goods and services.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q144) Which of the following is not a factor that affects a country's foreign exchange rate?**

a) Interest rates

b) Inflation rates

c) Political stability

d) Consumer spending

Correct Answer: Option (d)

Explanation: Interest rates, inflation rates, and political stability are all factors that can affect a country's foreign exchange rate. Consumer spending, while important for a country's overall economic health, is not a direct factor that affects the exchange rate.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q145) Which of the following statements accurately describes the difference between the Gini coefficient and the Lorenz curve?**

a) The Lorenz curve measures the level of income inequality, while the Gini coefficient measures the level of poverty in a country.

b) The Lorenz curve measures the level of poverty in a country, while the Gini coefficient measures the level of income inequality.

c) The Lorenz curve and the Gini coefficient both measure the level of income inequality, but the Lorenz curve shows the distribution of income graphically while the Gini coefficient is a numerical measure.

d) The Lorenz curve and the Gini coefficient both measure the level of poverty, but the Lorenz curve shows the distribution of income graphically while the Gini coefficient is a numerical measure.

Correct Answer: Option (c)

Explanation: The Lorenz curve is a graphical representation of income distribution, while the Gini coefficient is a numerical measure of income inequality. The Lorenz curve shows the cumulative percentage of income received by different groups of the population, while the Gini coefficient is calculated by comparing the actual distribution of income to a hypothetical perfectly equal distribution. Both measures are used to assess income inequality, but they differ in their presentation and methodology.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q146) Which of the following is not a factor contributing to India's high level of income inequality?**

a) Unequal access to education

b) Unequal access to healthcare

c) Limited economic growth

d) Historical social and economic disparities

Correct Answer: Option (c)

Explanation: India has experienced significant economic growth in recent years, but this growth has not been inclusive. Factors contributing to India's high level of income inequality include unequal access to education and healthcare, as well as historical social and economic disparities. Limited economic growth is not a factor contributing to income inequality, but rather a potential solution to address it.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q147) Which of the following policies is most likely to promote inclusive economic growth in India?**

a) Deregulation of labour laws to promote business investment

b) Privatisation of public services to increase competition and lower costs

c) Implementation of progressive taxation to redistribute wealth

d) Expansion of government subsidies to incentivize investment in marginalised communities

Correct Answer: Option (d)

Explanation: Expanding government subsidies to incentivize investment in marginalised communities is most likely to promote inclusive economic growth in India. This policy can help increase access to education and healthcare, as well as create jobs and economic opportunities for marginalised communities. Deregulation of labour laws and privatisation of public services may create economic growth, but may not necessarily promote inclusivity. Implementation of progressive taxation can help redistribute wealth, but may not necessarily promote economic growth.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q148) Which of the following is not a characteristic of the Indian informal sector?**

a) Low levels of job security

b) Low levels of productivity

c) High levels of informality

d) High levels of unionisation

Correct Answer: Option (d)

Explanation: The Indian informal sector is characterised by low levels of job security, low levels of productivity, and high levels of informality. Unionisation is not typically associated with the informal sector, as many informal workers are not protected by labour laws and are not part of formal labour unions.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q149) What is the main cause of the decline in the share of agriculture in India's GDP?**

a) Inefficient farming techniques

b) Poor infrastructure

c) Growth of other sectors

d) Overpopulation

Correct Answer: Option (c)

Explanation: The share of agriculture in India's GDP has declined over time due to the growth of other sectors such as services and industry. As the economy diversifies, there is a shift away from agriculture towards other sectors that offer higher productivity and wages.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q150) Which of the following is NOT a factor affecting the development of India's infrastructure?**

a) Corruption

b) Limited funding

c) Inadequate technology

d) Lack of demand

Correct Answer: Option (d)

Explanation: The development of India's infrastructure is affected by several factors, including corruption, limited funding, and inadequate technology. However, lack of demand is not one of the factors as there is a high demand for better infrastructure in India due to its large population and growing economy.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q151) Which of the following is NOT a characteristic of a socialist economy?**

a) Private ownership of means of production

b) Centralised planning

c) Income redistribution

d) Public ownership of means of production

Correct Answer: Option (a)

Explanation: In a socialist economy, the means of production are owned and controlled by the state or the public, and centralised planning is used to allocate resources and determine production. Income redistribution is also a characteristic of socialist economies, where resources are distributed more equally. Private ownership of means of production is a characteristic of a capitalist economy.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q152) Which of the following is not a component of the Human Development Index (HDI)?**

a) Income

b) Education

c) Health

d) Gender

Correct Answer: Option (d)

Explanation: The Human Development Index (HDI) is a composite statistic that measures three basic dimensions of human development: income, education, and health. Gender is not a separate component of HDI but is considered in the education and health dimensions through indicators such as female literacy rate and maternal mortality rate.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q153) Which of the following sectors contributes the most to the Gross Domestic Product (GDP) of India?**

a) Agriculture

b) Industry

c) Services

d) Construction

Correct Answer: Option (c)

Explanation: The service sector is the largest contributor to the Gross Domestic Product (GDP) of India. This sector includes industries such as banking, IT, tourism, healthcare, education, and more. In recent years, the service sector has been growing rapidly and has become a major driver of economic growth in India. Agriculture, industry, and construction are also important sectors in India, but the service sector has been leading the way in terms of economic growth and development.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q154) Which of the following is not a reason for the slow growth of the manufacturing sector in India?**

a) Lack of infrastructure

b) Inadequate access to credit

c) Over-regulation by the government

d) High cost of labour

Correct Answer: Option (d)

Explanation: High cost of labour is not a reason for the slow growth of the manufacturing sector in India. In fact, the low cost of labour is considered an advantage for the manufacturing sector. The other options, lack of infrastructure, inadequate access to credit, and over-regulation by the government, are some of the factors that have hindered the growth of the manufacturing sector in India.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q155) Which of the following policies is aimed at reducing regional disparities in India?**

a) National Rural Employment Guarantee Act (NREGA)

b) Public Distribution System (PDS)

c) Goods and Services Tax (GST)

d) Minimum Support Price (MSP)

Correct Answer: Option (a)

Explanation: The National Rural Employment Guarantee Act (NREGA) is a social security scheme that guarantees rural households 100 days of wage employment per year. This policy is aimed at reducing regional disparities in India by providing employment opportunities to rural households in backward areas. The other options, Public Distribution System (PDS), Goods and Services Tax (GST), and Minimum Support Price (MSP), are not specifically aimed at reducing regional disparities but have broader objectives such as food security, tax reform, and agricultural support.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q156) Which of the following is NOT a feature of the Indian economy?**

a) Dual economy

b) Capitalist economy

c) Mixed economy

d) Agrarian economy

Correct Answer: Option (b)

Explanation: The Indian economy is a mixed economy, which means it has features of both capitalism and socialism. It has a large public sector and also allows for private sector participation. It is characterised by a dual economy, with a large informal sector alongside the formal sector. Additionally, while agriculture remains an important sector, the economy is not solely agrarian.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q157) Which of the following is NOT a measure of economic development?**

a) Per capita income

b) Literacy rate

c) Life expectancy

d) Inflation rate

Correct Answer: Option (d)

Explanation: Inflation rate is a measure of the rate of increase in the general price level of goods and services in an economy. While it is an important economic indicator, it is not a measure of economic development. Measures of economic development include per capita income, literacy rate, life expectancy, and human development index (HDI) among others.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q158) Which of the following is NOT a component of the Tertiary sector?**

a) Trade and Commerce

b) Banking and Finance

c) Transportation and Communication

d) Mining and Quarrying

Correct Answer: Option (d)

Explanation: The Tertiary sector, also known as the Service sector, includes activities that provide services to the economy. These activities can be classified into four broad categories: trade and commerce, banking and finance, transportation and communication, and various other services. Mining and quarrying is a part of the primary sector which deals with the extraction of natural resources.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q159) Which of the following is NOT a feature of the Green Revolution?**

a) Use of high-yielding varieties of seeds

b) Increased use of chemical fertilisers and pesticides

c) Emphasis on small-scale agriculture

d) Expansion of irrigation facilities

Correct Answer: Option (c)

Explanation: The Green Revolution was a period of agricultural transformation in India in the 1960s and 70s that focused on increasing agricultural productivity through the use of high-yielding varieties of seeds, chemical fertilisers and pesticides, and expansion of irrigation facilities. It did not emphasise small-scale agriculture but instead promoted large-scale farming to increase productivity.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q160) Which of the following is NOT a reason for the slow growth of the Indian economy in the 1950s and 60s?**

a) Lack of entrepreneurship

b) Low level of savings and investment

c) Over-dependence on agriculture

d) Limited availability of natural resources

Correct Answer: Option (d)

Explanation: The slow growth of the Indian economy in the 1950s and 60s was due to several factors, including the lack of entrepreneurship, low level of savings and investment, and over-dependence on agriculture. However, limited availability of natural resources was not a significant factor, as India is rich in natural resources such as minerals, oil, and gas.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q161) Which of the following is NOT a function of the Reserve Bank of India (RBI)?**

a) Regulating the money supply

b) Managing foreign exchange reserves

c) Conducting monetary policy

d) Issuing currency notes and coins

Correct Answer: Option (d)

Explanation: While the Reserve Bank of India (RBI) is responsible for the regulation of the banking system and the management of the money supply in the economy, it is not responsible for issuing currency notes and coins. This responsibility lies with the government of India's Ministry of Finance.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q162) Which of the following is NOT a goal of India's Five-Year Plans?**

a) Achieving self-sufficiency in food production

b) Promoting balanced regional development

c) Increasing foreign exchange reserves

d) Reducing poverty and unemployment

Correct Answer: Option (c)

Explanation: While increasing foreign exchange reserves is an important objective for the Indian economy, it is not a specific goal of India's Five-Year Plans. The Five-Year Plans focus on promoting economic growth, achieving self-sufficiency in food production, reducing poverty and unemployment, and promoting balanced regional development.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q163) Which of the following is NOT a feature of the informal sector in India?**

a) Lack of job security and social benefits

b) Low productivity and poor quality of output

c) Use of advanced technology and modern equipment

d) Absence of government regulation and oversight

Correct Answer: Option (c)

Explanation: The informal sector in India is characterised by a lack of job security and social benefits, low productivity and poor quality of output, and absence of government regulation and oversight. However, it is not known for the use of advanced technology and modern equipment, as many activities in the informal sector are labour-intensive and rely on traditional methods.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q164) Which of the following is NOT a feature of India's industrial policy?**

a) Encouraging the growth of small-scale industries

b) Promoting foreign investment

c) Restricting the growth of private sector industries

d) Providing incentives for export-oriented industries

Correct Answer: Option (c)

Explanation: India's industrial policy has evolved over time, but it has generally aimed to encourage the growth of small-scale industries, promote foreign investment, and provide incentives for export-oriented industries. While the government has sometimes imposed restrictions on private sector industries in certain sectors, this is not a general feature of India's industrial policy.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q165) Which of the following is NOT a feature of the Indian financial system?**

a) Dual control by the RBI and the government

b) A large informal sector

c) Dominance of public sector banks

d) A lack of financial inclusion

Correct Answer: Option (d)

Explanation: While the Indian financial system has faced challenges with financial inclusion, it is not a feature of the system itself. Rather, the Indian financial system is characterised by dual control by the RBI and the government, a large informal sector, and dominance of public sector banks.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q166) Which of the following is NOT a factor that affects the balance of payments?**

a) Exports and imports of goods and services

b) Investment income and transfers

c) Government spending and taxation

d) Foreign exchange rates

Correct Answer: Option (c)

Explanation: While government spending and taxation can affect the overall level of economic activity, they do not typically have a direct impact on the balance of payments. Rather, the balance of payments is primarily affected by exports and imports of goods and services, investment income and transfers, and foreign exchange rates.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q167) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is a tool used by the RBI to regulate the supply of money in the economy?**

a) Providing subsidies to low-income households

b) Issuing bonds to the public

c) Setting interest rates for banks

d) Imposing tariffs on imported goods

Correct Answer: Option (c)

Explanation: The passage states that the RBI controls the supply of money in the economy through various tools such as setting interest rates and reserve ratios for banks. Therefore, option C is the correct answer. Option A, B, and D are incorrect as they are not tools used by the RBI to regulate the supply of money in the economy. Providing subsidies, issuing bonds, and imposing tariffs are policies that may have an impact on the economy, but they are not directly related to regulating the supply of money in the economy.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q168) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is not a challenge faced by the agriculture sector in India?**

a) Dependence on monsoon rains

b) Lack of modern infrastructure

c) High levels of productivity

d) Insufficient access to credit and finance

Correct Answer: Option (c)

Explanation: The passage states that the agriculture sector in India faces numerous challenges, including the dependence on monsoon rains, lack of modern infrastructure, and low levels of productivity. Dependence on monsoon rains makes the sector vulnerable to droughts and floods, lack of modern infrastructure hinders the transportation and storage of agricultural produce, and insufficient access to credit and finance limits the ability of farmers to invest in their farms and improve productivity.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q169) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is not a potential benefit of foreign direct investment (FDI) in India?**

a) Increase in employment opportunities

b) Boost in economic growth

c) Improvement in the competitiveness of domestic industries

d) Inflow of new technology and resources

Correct Answer: Option (c)

Explanation: The passage states that FDI can bring in new technology, increase employment opportunities, and boost economic growth. Because there are concerns about the impact of FDI on domestic industries, as foreign companies may have an advantage in terms of technology and resources. This can make it difficult for domestic industries to compete with foreign companies and may even lead to the displacement of domestic firms.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q170) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the primary cause of the income gap between rural and urban areas in India?**

a) Limited access to modern technology in the agricultural sector

b) Rapid growth of the industrial sector

c) Disparities in living standards and access to basic amenities

d) Differences in educational attainment levels

Correct Answer: Option (a)

Explanation: The passage states that the agricultural sector in India has low productivity levels and limited access to modern technology, while the industrial sector has been growing rapidly. This suggests that limited access to modern technology in the agricultural sector is a major factor contributing to the income gap between rural and urban areas.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q171) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is a major challenge faced by the informal sector in India?**

a) Competition from the formal sector

b) Limited access to credit

c) Lack of access to modern technology

d) Low demand for goods and services

Correct Answer: Option (b)

Explanation: The passage states that the informal sector in India faces challenges such as lack of access to credit and legal protections. This suggests that limited access to credit is a major challenge faced by the informal sector.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q172) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the main objective of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)?**

a) To promote industrial growth in rural areas

b) To provide employment opportunities to every rural household

c) To improve access to healthcare services in rural areas

d) To provide financial assistance to small farmers

Correct Answer: Option (b)

Explanation: The passage states that the MGNREGA guarantees 100 days of employment per year to every rural household. This suggests that the main objective of the MGNREGA is to provide employment opportunities to every rural household.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q173) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the main reason for the widening income gap between rural and urban areas in India?**

a) Lack of investment in agriculture

b) Limited access to education and healthcare services in rural areas

c) Migration of rural workers to urban areas

d) Limited job opportunities in the service sector in rural areas

Correct Answer: Option (c)

Explanation: The passage states that there has been a shift from agriculture to services as the main driver of economic growth in India, which has led to increased income and employment opportunities in the service sector. However, it also mentions that this shift has resulted in a widening income gap between rural and urban areas.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q174) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**What is the main reason for the persistent regional disparities in India's economic development?**

a) Lack of government policies and initiatives

b) Limited availability of natural resources in certain regions

c) Unequal distribution of wealth and resources

d) Inadequate infrastructure and transportation facilities

Correct Answer: Option (c)

Explanation: The passage states that India has significant regional variations in economic development, resulting in persistent regional disparities in income, employment opportunities, and access to basic amenities. The passage does not mention a lack of government policies and initiatives as the main reason for the disparities.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q175) Answer the following question with reference to the audio.**

[**https://drive.google.com/file/d/1-KU\_58EsyD6b1rp3\_Awz5RJl15-o3nXL/view?usp=share\_link**](https://drive.google.com/file/d/1-KU_58EsyD6b1rp3_Awz5RJl15-o3nXL/view?usp=share_link)

**TYPE: Audio**

**What is the primary factor limiting the effectiveness of the Indian government's policies aimed at reducing poverty?**

a) Lack of funding for poverty reduction programs

b) Corruption in the government and bureaucracy

c) Inadequate infrastructure and resources

d) Limited participation from the private sector

Correct Answer: Option (b)

Explanation: The passage highlights that the effectiveness of the Indian government's policies aimed at promoting economic development and reducing poverty has been limited by factors such as corruption, bureaucratic inefficiency, and lack of implementation.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q176) Which of the following is not an objective of the Indian Five Year Plans?**

a) To increase employment opportunities

b) To achieve self-sufficiency in agriculture

c) To improve the standard of living of people

d) To promote rapid industrialization

Correct Answer: Option (b)

Explanation: The objective of the Indian Five Year Plans is to promote economic growth, reduce poverty, increase employment opportunities, and improve the standard of living of people. However, achieving self-sufficiency in agriculture is not a direct objective of the Five Year Plans. Although, agricultural growth is an essential component of the Plans.

Thus, the correct answer is option (b).

Difficulty Level- Very Hard

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**Q177) Which of the following is not a measure to control inflation?**

a) Increase in bank rate

b) Reduction in government expenditure

c) Decrease in direct taxes

d) Increase in money supply

Correct Answer: Option (d)

Explanation: The measures to control inflation are increase in bank rate, reduction in government expenditure, decrease in money supply, increase in direct taxes, and decrease in subsidies. However, an increase in money supply will lead to an increase in inflation and hence, it is not a measure to control inflation.

Thus, the correct answer is option (d).

Difficulty Level- Very Hard

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**Q178) What is the per capita income of India in 2020-21 according to the Central Statistics Office?**

a) Rs. 94,954

b) Rs. 1,00,934

c) Rs. 1,08,620

d) Rs. 1,20,406

Correct Answer: Option (b)

Explanation: The per capita income of India in 2020-21, as per the Central Statistics Office, is Rs. 1,00,934. Per capita income is the average income earned per person in a country in a year. It is calculated by dividing the total income of the country by its population.

Thus, the correct answer is option (b).

Difficulty Level- Very Hard

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**Q179) What is the growth rate of agriculture and allied sectors in India during 2020-21?**

a) 2.0%

b) 3.0%

c) 3.5%

d) 4.0%

Correct Answer: Option (c)

Explanation: The growth rate of agriculture and allied sectors in India during 2020-21 is 3.5%, as per the data released by the Central Statistics Office. The growth rate of these sectors indicates the performance of the agriculture and allied industries in terms of production, employment, and income.

Thus, the correct answer is option (c).

Difficulty Level- Very Hard

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**Q180) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following is not a factor that has constrained the process of regional development in India?**

a) Inadequate infrastructure

b) Low levels of human capital

c) Lack of access to credit and markets

d) Over Reliance on agriculture in the backward regions

Correct Answer: Option (d)

Explanation: The passage mentions that India has been striving to achieve balanced regional development, but the process has been constrained by various factors such as inadequate infrastructure, low levels of human capital, and lack of access to credit and markets.

Thus, the correct answer is option (d).

Difficulty Level- Very Hard

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**Q181) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following policies would be most effective in addressing income and social inequality in India?**

a) Implementing a flat tax system to reduce the tax burden on the middle class

b) Providing subsidies and tax breaks for large corporations to incentivize investment in marginalised communities

c) Implementing a progressive tax system to redistribute wealth from the top 1% to the rest of society

d) Encouraging the privatisation of public services to increase competition and lower costs for consumers

Correct Answer: Option (c)

Explanation: The passage clearly states that income inequality is a major challenge in India, with the top 1% owning more than 50% of the country's wealth. A progressive tax system, which imposes a higher tax rate on the wealthy, would be an effective way to redistribute wealth and reduce income inequality. In addition, social inequality is also a challenge, with marginalised communities facing discrimination and exclusion. Policies such as subsidies and tax breaks for large corporations may not be effective in addressing social inequality, as they may not benefit marginalised communities directly. Encouraging privatisation may lead to lower costs for consumers, but it may also result in reduced access to public services for marginalised communities.

Thus, the correct answer is option (c).

Difficulty Level- Very Hard

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**Q182) Answer the following question with reference to the audio.**

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**TYPE: Audio**

**Which of the following strategies would be most effective in addressing the environmental challenges faced by India while promoting economic growth?**

a) Increasing government regulations and penalties for businesses that contribute to environmental degradation

b) Encouraging businesses to voluntarily adopt sustainable practices through tax incentives and public recognition

c) Increasing investment in renewable energy and infrastructure for clean transportation

d) Limiting economic growth to prioritise environmental protection and sustainability

Correct Answer: Option (c)

Explanation: Increasing investment in renewable energy and infrastructure for clean transportation would be the most effective strategy in addressing environmental challenges while promoting economic growth. This approach would reduce reliance on fossil fuels, which contribute significantly to air pollution, and improve access to clean and efficient modes of transportation. Additionally, investments in renewable energy and infrastructure can create new job opportunities and stimulate economic growth.

Thus, the correct answer is option (c).

Difficulty Level- Very Hard

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**Q183) Which of the following sectors has the highest percentage of informal workers in India?**

a) Agriculture

b) Manufacturing

c) Services

d) Construction

Correct Answer: Option (d)

Explanation: The construction sector has the highest percentage of informal workers in India, with around 94% of the workers being employed informally. The other sectors, such as agriculture, manufacturing, and services, also have a significant percentage of informal workers, but not as high as the construction sector.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q184) What is the main objective of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)?**

a) To provide employment opportunities to rural households

b) To provide financial assistance to rural households

c) To provide affordable housing to rural households

d) To provide free education to rural households

Correct Answer: Option (a)

Explanation: The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was launched in 2005 with the aim of providing employment opportunities to rural households. Under the act, rural households are guaranteed 100 days of wage employment in a financial year. The act aims to promote inclusive growth and reduce poverty in rural areas.

Thus, the correct answer is option (a).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q185) Which of the following is not a component of the Human Development Index (HDI)?**

a) Income

b) Education

c) Life expectancy

d) Industrialization

Correct Answer: Option (d)

Explanation: The Human Development Index (HDI) is a composite measure of three dimensions of human development: income, education, and health. Industrialization is not a component of the HDI, as it does not directly measure human development.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q186) What is the difference between current account deficit and capital account deficit?**

a) Current account deficit is the excess of imports over exports, while capital account deficit is the excess of outflows over inflows in the capital account.

b) Current account deficit is the excess of exports over imports, while capital account deficit is the excess of inflows over outflows in the capital account.

c) Current account deficit is the excess of outflows over inflows in the current account, while capital account deficit is the excess of imports over exports.

d) Current account deficit is the excess of inflows over outflows in the current account, while capital account deficit is the excess of outflows over inflows in the capital account.

Correct Answer: Option (a)

Explanation: Current account deficit is the difference between the total value of goods, services, and transfers imported by a country and the total value of goods, services, and transfers exported by the country. Capital account deficit is the difference between the total value of capital outflows (such as foreign investment, loans, and remittances) and the total value of capital inflows (such as foreign aid, investment, and loans).

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q187) Which of the following is a market-oriented reform initiated in India in the 1990s?**

a) Nationalisation of banks

b) Industrial licensing

c) Privatisation of public sector enterprises

d) Planning Commission

Correct Answer: Option (c)

Explanation: Privatisation of public sector enterprises was a market-oriented reform initiated in India in the 1990s. The government sold its equity in public sector enterprises to the private sector, which led to the entry of new players in the market and increased competition. This helped improve efficiency and productivity in the economy. The other options, such as nationalisation of banks, industrial licensing, and Planning Commission, were all initiatives taken in the pre-reform era.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q188) Which of the following is not a method of measuring national income?**

a) Income method

b) Expenditure method

c) Output method

d) Labour method

Correct Answer: Option (d)

Explanation: National income can be measured through income method, expenditure method, and output method. The income method adds up all the income earned by individuals and businesses in the economy, the expenditure method adds up all the spending on goods and services in the economy, and the output method adds up the value of all goods and services produced in the economy. The labour method is not a method of measuring national income as it refers to the use of labour to produce goods and services rather than the measurement of income.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q189) Which of the following is not a function of money?**

a) Medium of exchange

b) Unit of account

c) Store of value

d) Producer of goods

Correct Answer: Option (d)

Explanation: Money serves three main functions in an economy: medium of exchange, unit of account, and store of value. As a medium of exchange, money is used to buy and sell goods and services. As a unit of account, money is used to measure the value of goods and services. As a store of value, money is used to save purchasing power over time. Money is not a producer of goods, which is the function of businesses and individuals in an economy.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q190) Which of the following is not a cause of poverty in India?**

a) Unequal distribution of wealth

b) Lack of education

c) Corruption

d) High population growth

Correct Answer: Option (a)

Explanation: While unequal distribution of wealth is a problem in India, it is not a direct cause of poverty. Poverty in India is mainly caused by lack of education, unemployment, corruption, high population growth, and inadequate access to basic necessities such as clean water and sanitation. These factors result in a lack of economic opportunity and social inequality, leading to high levels of poverty in the country.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q191) Which of the following measures is likely to result in inflation in an economy?**

a) Decrease in government expenditure

b) Increase in taxes

c) Increase in money supply

d) Increase in interest rates

Correct Answer: Option (c)

Explanation: Inflation occurs when the general price level in an economy increases over time. One of the reasons for inflation is an increase in the money supply, which can occur due to factors such as government spending, lending by banks, and printing of currency.

Thus, the correct answer is option (c).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q192) Which of the following is an example of a primary sector activity?**

a) Teaching in a school

b) Manufacturing of steel

c) Farming of crops

d) Running a software development company

Correct Answer: Option (c)

Explanation: Primary sector activities involve the extraction and production of raw materials from natural resources, such as farming, mining, and fishing. Farming of crops correctly identifies the primary sector activity of farming crops, while the other options are related to the secondary and tertiary sectors.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q193) The Human Development Index (HDI) is a composite index of three dimensions of human development, which of the following is not included in the HDI?**

a) Health

b) Education

c) Income

d) Gender equality

Correct Answer: Option (d)

Explanation: The Human Development Index (HDI) is a composite index of three dimensions of human development: health (measured by life expectancy at birth), education (measured by years of schooling), and income (measured by Gross National Income per capita). Gender equality is not included in the HDI, although the Gender Development Index (GDI) is a related index that measures gender-based inequalities in the same three dimensions as the HDI.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q194) Which of the following is not a feature of India's Mixed Economy?**

a) Co-existence of the public and private sector

b) Economic planning by the government

c) Price control by the government

d) Absence of government intervention in the economy

Correct Answer: Option (d)

Explanation: India's economic system is a mixed economy, which means that it features co-existence of the public and private sector. Economic planning by the government and price control by the government are also important features of India's mixed economy. However, the absence of government intervention in the economy is not a feature of India's mixed economy. In fact, the government plays an active role in regulating and guiding economic activities in India through various policies and measures.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q195) Which of the following is not a measure of poverty in India?**

a) Tendulkar Method

b) Alkire-Foster Method

c) Poverty Ratio

d) None of the above

Correct Answer: Option (d)

Explanation: All three methods mentioned are measures of poverty in India. The Tendulkar Method and Poverty Ratio are widely used measures, while the Alkire-Foster Method is a relatively new method that uses a multidimensional approach to measure poverty.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q196) Which of the following is not a characteristic of Indian agriculture?**

a) Subsistence farming

b) Dependence on monsoons

c) Low productivity

d) Large landholdings

Correct Answer: Option (d)

Explanation: Indian agriculture is characterised by small and fragmented landholdings, with most farmers practising subsistence farming. Agriculture is also heavily dependent on monsoons and suffers from low productivity due to outdated farming techniques and lack of investment in irrigation and infrastructure.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q197) Which of the following is not a measure of poverty in India?**

a) Human Development Index (HDI)

b) Multidimensional Poverty Index (MPI)

c) Consumer Price Index (CPI)

d) Poverty Line

Correct Answer: Option (c)

Explanation: Consumer Price Index (CPI) is a measure of inflation and not poverty in India. On the other hand, the Human Development Index (HDI) and Multidimensional Poverty Index (MPI) are both measures of poverty in India, and the Poverty Line is the threshold income level below which a person is considered poor in India.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q198) Which of the following sectors is not a part of the tertiary sector of the Indian economy?**

a) Banking and finance

b) Tourism

c) Manufacturing

d) Healthcare

Correct Answer: Option (c)

Explanation: The tertiary sector of the Indian economy comprises activities related to services such as banking and finance, tourism, healthcare, etc. Manufacturing is a part of the secondary sector of the Indian economy, which includes industries such as textiles, automobiles, etc.

Thus, the correct answer is option (c).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q199) Which of the following is not a component of the agricultural sector in India?**

a) Crop production

b) Animal husbandry

c) Horticulture

d) Textile manufacturing

Correct Answer: Option (d)

Explanation: The agricultural sector in India primarily consists of crop production, animal husbandry, and horticulture. These three components contribute significantly to the economy of India by providing food, raw materials, and employment opportunities. Textile manufacturing, on the other hand, is considered a part of the industrial sector in India and is not directly related to agriculture. However, the textile industry does rely on agricultural products such as cotton for raw materials.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q200) Which of the following is not a measure taken by the Indian government to promote industrial development?**

a) Nationalisation of industries

b) Setting up industrial estates and special economic zones

c) Providing financial and technical assistance to industries

d) Privatisation of industries

Correct Answer: Option (a)

Explanation: Nationalisation of industries involves the government taking over ownership and control of private industries. This is not a measure taken by the Indian government to promote industrial development. Instead, the government has taken measures such as setting up industrial estates and special economic zones, providing financial and technical assistance to industries, and privatisation of industries to promote industrial development in India.

Thus, the correct answer is option (a).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q201) Which of the following measures of central tendency is affected by extreme values?**

a) Mean

b) Median

c) Mode

d) All of the above

Correct Answer: Option (a)

Explanation: Mean is the arithmetic average of a set of observations. It is affected by extreme values because it takes into account all the values in the dataset. Median and mode, on the other hand, are less affected by extreme values because they are based on the position and frequency of the values, respectively.

Thus, the correct answer is option (a).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q202) Which of the following is not a measure of dispersion?**

a) Range

b) Variance

c) Standard deviation

d) Skewness

Correct Answer: Option (d)

Explanation: Skewness is a measure of the asymmetry of a distribution. It is not a measure of dispersion. Range, variance, and standard deviation are measures of dispersion that indicate how spread out the data is.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q203) Which of the following is not a type of probability?**

a) Empirical probability

b) Theoretical probability

c) Subjective probability

d) Arithmetic probability

Correct Answer: Option (d)

Explanation: There is no such thing as arithmetic probability. Empirical probability is based on observed data, theoretical probability is based on mathematical models, and subjective probability is based on personal judgments.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q204) What is the range of the data set {2, 5, 8, 10, 12}?**

a) 10

b) 8

c) 6

d) 4

Correct Answer: Option (c)

Explanation: The range is the difference between the largest and smallest values in a dataset. In this case, the largest value is 12 and the smallest value is 2. Therefore, the range is 12 - 2 = 6.

Thus, the correct answer is option (c).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q205) What is the formula for calculating the standard deviation of a population?**

a) ∑(x-μ)/n

b) ∑(x-μ)²/N

c) ∑(x-μ)²/n

d) ∑(x-μ)/N

Correct Answer: Option (b)

Explanation: The formula for calculating the standard deviation of a population is the square root of the sum of the squared deviations from the mean, divided by the total number of observations.

Thus, the correct answer is option (b).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q206) Which of the following is not a measure of central tendency?**

a) Mean

b) Median

c) Mode

d) Variance

Correct Answer: Option (d)

Explanation: Variance is a measure of dispersion, not central tendency. Mean, median, and mode are all measures of central tendency that provide information about the typical or central value of a dataset.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q207) Which of the following statements is true regarding the coefficient of variation?**

a) It is a measure of dispersion.

b) It is a measure of central tendency.

c) It is the ratio of the mean to the standard deviation.

d) It is the ratio of the median to the mode.

Correct Answer: Option (c)

Explanation: The coefficient of variation is a measure of relative dispersion that is calculated as the ratio of the standard deviation to the mean. It is often used to compare the variability of different datasets that have different means.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q208) Which of the following statements is true regarding the z-score?**

a) It is a measure of relative dispersion.

b) It is a standardized measure of the deviation from the mean.

c) It is a measure of central tendency.

d) It is a measure of skewness.

Correct Answer: Option (b)

Explanation: The z-score is a standardized measure of the deviation from the mean, expressed in terms of the number of standard deviations from the mean. It is often used to compare observations from different datasets and to identify outliers.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q209) Which of the following measures of central tendency is most affected by outliers?**

a) Mean

b) Median

c) Mode

d) Variance

Correct Answer: Option (a)

Explanation: The mean is most affected by outliers because it takes into account the value of each observation. Outliers, which are extreme values that are significantly different from the other values in a dataset, can have a large effect on the mean.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q210) Which of the following measures of dispersion is not affected by extreme values or outliers?**

a) Range

b) Variance

c) Standard deviation

d) Interquartile range

Correct Answer: Option (d)

Explanation: The interquartile range is a measure of dispersion that is calculated as the difference between the third quartile and the first quartile. It is not affected by extreme values or outliers because it is based on the middle 50% of the data.

Thus, the correct answer is option (d).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q211) Which of the following statements is true regarding correlation?**

a) Correlation implies causation.

b) Correlation measures the strength of a linear relationship between two variables.

c) Correlation can only range from -1 to +1.

d) Correlation is affected by outliers.

Correct Answer: Option (b)

Explanation: Correlation measures the strength of a linear relationship between two variables, but it does not imply causation. Correlation can range from -1 to +1, with a correlation of 0 indicating no linear relationship. Correlation can be affected by outliers, especially in small datasets.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q212) Which of the following is not a requirement for a binomial distribution?**

a) The trials are independent.

b) Each trial has two possible outcomes.

c) The probability of success is the same for each trial.

d) The number of trials is unlimited.

Correct Answer: Option (d)

Explanation: A binomial distribution is a probability distribution that describes the number of successes in a fixed number of independent trials, each with two possible outcomes and the same probability of success. The number of trials is fixed and finite, not unlimited.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q213) The difference between the highest and lowest value in a data set is known as:**

a) Variance

b) Standard deviation

c) Range

d) Mean

Correct Answer: Option (c)

Explanation: The range is the difference between the highest and lowest value in a data set. It is a measure of dispersion and gives an idea of how spread out the data is.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q214) The mode of a data set is:**

a) The value that occurs most frequently

b) The midpoint of the data set

c) The average of the data set

d) The value that occurs least frequently

Correct Answer: Option (a)

Explanation: The mode of a data set is the value that occurs most frequently. It is a measure of central tendency and is useful in describing the most common value in the data.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q215) Which of the following is a graphical representation of the five-number summary of a data set?**

a) Histogram

b) Box plot

c) Scatter plot

d) Bar graph

Correct Answer: Option (b)

Explanation: A box plot is a graphical representation of the five-number summary of a data set, which includes the minimum, first quartile, median, third quartile, and maximum values. The box plot displays the range of the data, the median, and the interquartile range, making it useful for identifying outliers and understanding the distribution of the data.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q216) The range of the following data set: 2, 5, 7, 10, 13, 16, 19, 22 is:**

a) 20

b) 19

c) 20.5

d) 21

Correct Answer: Option (a)

Explanation: To find the range of a data set, we subtract the smallest value from the largest value. In this case, the smallest value is 2 and the largest value is 22. So, the range is 22 - 2 = 20. However, it is important to note that the range only considers the two extreme values in the data set and does not provide any information about the distribution of the data.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q217) The interquartile range of the following data set: 12, 15, 18, 21, 23, 27, 31, 35 is:**

a) 11.5

b) 13.5

c) 15.5

d) 17.5

Correct Answer: Option (b)

Explanation: To find the interquartile range, first find the first quartile (Q1) and the third quartile (Q3). Q1 is the median of the lower half of the data set, and Q3 is the median of the upper half of the data set. For this data set, Q1 is 15 and Q3 is 31. The interquartile range is the difference between Q3 and Q1: 31 - 15 = 16. Therefore, the interquartile range is 16, or 13.5 when rounded to one decimal place.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q218) In a class of 50 students, the mean score in a test is 70. If the score of one student is excluded, the mean score decreases by 1. What is the score of the excluded student?**

a) 61

b) 69

c) 71

d) 79

Correct Answer: Option (c)

Explanation: Let the score of the excluded student be x.

Then, the total score of the 50 students would be .

When the student's score is excluded, the total score would be .

Since the new mean is 69, we can set up the following equation:

Solving for x, we get

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q219) The variance of a data set is 25. If each data point is multiplied by 3, what will be the new variance?**

a) 75

b) 100

c) 125

d) 225

Correct Answer: Option (d)

Explanation: When we multiply each data point in a data set by a constant, the variance of the data set is also multiplied by the square of that constant.

In this case, we are multiplying each data point by 3.

Therefore, the new variance will be .

So, the new variance is 225.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q220) The median of a data set is the value that separates the data into two equal halves. In a set of 7 data points, what is the median if the data points are arranged in ascending order as follows: 2, 3, 5, 6, 8, 9, 11?**

a) 6

b) 7

c) 8

d) 9

Correct Answer: Option (c)

Explanation: To find the median of a data set, we arrange the data points in ascending or descending order and then find the middle value. In this case, we have seven data points. The middle value will be the fourth data point because it separates the data set into two equal halves. When we arrange the data set in ascending order, the fourth value is 8. Therefore, the median of the data set is 8.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q221) Answer the following question with reference to the audio.**

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**TYPE: Audio**

What is its z-score?

a) 4

b) 2

c) 3

d) 5

Correct Answer: Option (c)

Explanation: The z-score is a measure of the number of standard deviations an observation is away from the mean. To calculate the z-score of the given family, we can use the formula:

Where is the income of the family, is the mean income of the village, and is the standard deviation.

Plugging in the values, we get:

So, the z-score of the family is 4.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q222) Answer the following question with reference to the image.**

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**TYPE: Image**

**Calculate the mean.**

a) 34

b) 31

c) 37

d) 35

Correct Answer: Option (b)

Explanation: To find the median, we need to arrange the data in ascending order.

10-20 | 20-30 | 20-30 | 20-30 | 20-30 | 20-30 | 20-30 | 20-30 | 30-40 | 30-40 | 30-40 | 30-40 | 30-40 | 30-40 | 30-40 | 40-50 | 40-50 | 40-50 | 40-50 | 40-50 | 40-50 | 50-60 | 50-60

We have a total of observations.

The median is the middle value of the data. As we have 34 observations, the median will be the average of the 17th and 18th observations.

The 17th observation lies in the class interval 20-30, which has a cumulative frequency of .

The width of this class interval is 10.

Therefore, the 17th observation is units above the lower limit of the class interval.

The 18th observation also lies in the class interval 20-30, which has a cumulative frequency of 12.

Therefore, the 18th observation is units above the lower limit of the class interval.

So, the median is which falls in the class interval 20-30.

Therefore, the median of the given data is which is closest to 31.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q223) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the mode of the data?**

a) 25,000

b) 30,000

c) 35,000

d) 40,000

Correct Answer: Option (b)

Explanation: The mode is the value that occurs most frequently in the data. In this case, the frequency of 30 employees earning between Rs. 30,000 to Rs. 40,000 is the highest among all the income groups. Therefore, the mode of the data is Rs. 30,000.

25,000, is incorrect because there are only 15 employees earning between Rs. 10,000 to Rs. 20,000, which is the lowest frequency among all the income groups.

35,000, is incorrect because there are no employees earning between Rs. 30,000 to Rs. 40,000, which has the highest frequency, and the next highest frequency is 25 employees earning between Rs. 20,000 to Rs. 30,000.

40,000, is incorrect because there are only 20 employees earning between Rs. 40,000 to Rs. 50,000, which is not the highest frequency among all the income groups.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q224) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the relative frequency of employees who have a low job satisfaction level?**

a) 0.2

b) 0.3

c) 0.4

d) 0.5

Correct Answer: Option (b)

Explanation: The relative frequency of a category is the proportion of the total number of observations that fall into that category. To find the relative frequency of employees who have a low job satisfaction level, we need to divide the frequency of employees with low job satisfaction by the total number of employees:

Relative frequency of employees with low job satisfaction = 30 / (20 + 50 + 30) = 0.3

0.2, is incorrect because 0.2 is the relative frequency of employees with high job satisfaction, which is 20 / 100.

0.4, is incorrect because 0.4 is the relative frequency of employees with medium job satisfaction, which is 50 / 100.

0.5, is incorrect because it is not the relative frequency of any job satisfaction level.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q225) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the median number of hours students spent studying per week?**

a) 12.5 hours

b) 15 hours

c) 17.5 hours

d) 20 hours

Correct Answer: Option (c)

Explanation: To find the median number of hours students spent studying per week, we need to arrange the data in order from smallest to largest and then find the middle value. Since there are 100 students in total, the median will be the average of the 50th and 51st observations.

The 50th and 51st observations fall in the third category, which has a range of 15 - 20 hours. Therefore, the median number of hours is:

12.5 hours, is incorrect because it is the midpoint of the first category, which has a range of 5 - 10 hours, and the median falls in the third category.

15 hours, is incorrect because it is the midpoint of the second category, which has a range of 10 - 15 hours, and the median falls in the third category.

20 hours, is incorrect because it is the upper boundary of the fourth category, which has a range of 20 - 25 hours, and the median falls in the third category.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q226) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the mode of the age of the customers?**

a) 26 - 35 years

b) 30 years

c) 35 years

d) There is no mode

Correct Answer: Option (a)

Explanation: The mode is the value that appears most frequently in a set of data. In this case, the age group 26 - 35 has the highest frequency of 60 customers, so it is the mode of the age of the customers.

30 years, is incorrect because it is not a category in the data. It is the midpoint of the age group 26 - 35.

35 years, is incorrect because it is not a category in the data. It is the midpoint of the age group 36 - 45.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q227) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the range of the salaries of the employees?**

a) Rs. 10,000 - Rs. 20,000

b) Rs. 10,000 - Rs. 50,000

c) Rs. 20,000 - Rs. 50,000

d) Rs. 30,000 - Rs. 40,000

Correct Answer: Option (c)

Explanation: The range of a set of data is the difference between the largest and smallest values. In this case, the smallest salary range is Rs. 10,000 - Rs. 20,000 and the largest salary range is Rs. 40,000 - Rs. 50,000. Therefore, the range of the salaries is:

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q228) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the median number of hours that the students spend studying per week?**

a) 6-10 hours

b) 11-15 hours

c) 12 hours

d) There is no median

Correct Answer: Option (b)

Explanation: The median is the middle value in a set of data when the data is arranged in order of magnitude. In this case, the data is not already arranged, so we need to arrange it first:

0-5, 6-10, 6-10, 6-10, ..., 6-10 (there are 40 students in the 6-10 category)

11-15, 11-15, 11-15, ..., 11-15 (there are 30 students in the 11-15 category)

16-20, 16-20, ..., 16-20 (there are 10 students in the 16-20 category)

The median is the middle value, which is the value that has an equal number of values above and below it. Since there are a total of 100 students in the survey, the middle value will be the 50th value when the data is arranged in order. In this case, the 50th value is in the 11-15 category, which means that the median number of hours that the students spend studying per week is 11-15 hours.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q229) The correlation coefficient between two variables X and Y is -0.7. Which of the following statements is true?**

a) X and Y have a positive relationship

b) X and Y have no relationship

c) X and Y have a negative relationship

d) X and Y have a strong positive relationship

Correct Answer: Option (c)

Explanation: The correlation coefficient measures the strength and direction of the linear relationship between two variables. A value of -1 indicates a perfect negative relationship, a value of 0 indicates no relationship, and a value of 1 indicates a perfect positive relationship. Since the correlation coefficient is -0.7, it indicates a negative relationship between X and Y.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q230) Which of the following measures of dispersion is least affected by extreme values?**

a) Range

b) Variance

c) Standard Deviation

d) Coefficient of Variation

Correct Answer: Option (a)

Explanation: The range is calculated by subtracting the lowest value from the highest value in the data set. It is not affected by extreme values because it only takes into account the highest and lowest values. Variance, and standard deviation, are both affected by extreme values because they use all the values in the data set to calculate the measure of dispersion.

Coefficient of variation, is also affected by extreme values because it is calculated by dividing the standard deviation by the mean.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q231) The mean and median of a distribution are 20 and 18 respectively. Which of the following statements is true regarding the skewness of the distribution?**

a) The distribution is positively skewed

b) The distribution is negatively skewed

c) The distribution is symmetric

d) None of the above

Correct Answer: Option (a)

Explanation: If the mean is greater than the median, then the distribution is positively skewed. This is because the mean is affected by outliers, whereas the median is not. In a positively skewed distribution, the tail of the curve is longer on the right-hand side, and the majority of the observations are on the left-hand side. In this case, the mean is 20 and the median is 18, which means that there are some high values that are pulling the mean up.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q232) In a symmetrical distribution, the mean, median, and mode are all:**

a) Equal

b) Greater than zero

c) Different

d) Less than zero

Correct Answer: Option (a)

Explanation: In a symmetrical distribution, the mean, median, and mode are all equal because the data is evenly distributed around the central value. The measures of central tendency are either greater than or less than zero, which is not necessarily true. The measures of central tendency are different, which is not true for a symmetrical distribution.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q233) The coefficient of correlation ranges from:**

a) -1 to 0

b) 0 to 1

c) to

d) 1 to

Correct Answer: Option (a)

Explanation: The coefficient of correlation measures the strength and direction of the relationship between two variables. It ranges from -1 to 1, with -1 indicating a strong negative correlation, 0 indicating no correlation, and 1 indicating a strong positive correlation.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q234) The standard deviation is:**

a) A measure of central tendency

b) A measure of dispersion

c) A measure of shape

d) A measure of skewness

Correct Answer: Option (b)

Explanation: The standard deviation measures the spread or dispersion of a data set around the mean. It tells us how much the data deviates from the mean. The standard deviation is not a measure of central tendency, the shape of a data set and the skewness which is a measure of asymmetry, not dispersion.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q235) A random sample:**

a) Includes every member of the population

b) Is selected using a non-random method

c) Is selected using a random method

d) Includes only the most common characteristics of the population

Correct Answer: Option (c)

Explanation: A random sample is a sample that is selected using a random method, such as random number generators or lottery systems. It is important to use a random sample because it is more likely to be representative of the population.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q236) In a normal distribution, what percentage of the data falls within one standard deviation of the mean?**

a) 34%

b) 68%

c) 95%

d) 99.7%

Correct Answer: Option (b)

Explanation: In a normal distribution, approximately 68% of the data falls within one standard deviation of the mean. This is known as the empirical rule. 34% of the data falls within one-half of a standard deviation then 95% of the data falls within two standard deviations and 99.7% of the data falls within three standard deviations of the mean.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q237) The coefficient of determination (R-squared) measures:**

a) The strength of the relationship between two variables

b) The direction of the relationship between two variables

c) The amount of variation in one variable explained by the other variable

d) The amount of variation in one variable not explained by the other variable

Correct Answer: Option (c)

Explanation: The coefficient of determination (R-squared) measures the proportion of the variation in one variable that is explained by the other variable. It ranges from 0 to 1, with 0 indicating no relationship and 1 indicating a perfect relationship.

Thus, the correct answer is option (c).

Difficulty Level- Medium

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**Q238) Which of the following measures of dispersion is most commonly used to measure the spread of data?**

a) Standard deviation

b) Variance

c) Coefficient of variation

d) Range

Correct Answer: Option (a)

Explanation: Standard deviation is commonly used as a measure of dispersion because it takes into account all data points and provides a more accurate representation of the spread of data than other measures, such as the range.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q239) What is the formula for calculating the coefficient of variation?**

a) CV = (Standard deviation/Mean) x 100

b) CV = (Mean/Standard deviation) x 100

c) CV = (Range/Mean) x 100

d) CV = (Mean/Range) x 100

Correct Answer: Option (a)

Explanation: The coefficient of variation (CV) is a measure of relative variability that expresses the standard deviation as a percentage of the mean. The formula for calculating the CV is (Standard deviation/Mean) x 100.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q240) A company produces two types of products: A and B. Product A has a mean profit of $200 and a standard deviation of $30. Product B has a mean profit of $250 and a standard deviation of $20. Which product has a higher coefficient of variation?**

a) Product A

b) Product B

c) Both products have the same coefficient of variation

d) Cannot be determined from the given information

Correct Answer: Option (a)

Explanation: The coefficient of variation (CV) is a measure of relative variability that expresses the standard deviation as a percentage of the mean.

In this case, CV for product A is ,

CV for product B is . Therefore, product A has a higher coefficient of variation.

Thus, the correct answer is option (a).

Difficulty Level- Medium

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**Q241) Which measure of central tendency is best suited for ordinal data?**

a) Mean

b) Median

c) Mode

d) Variance

Correct Answer: Option (b)

Explanation: Ordinal data represents values that can be ranked but do not have a specific numerical value. The median, which is the middle value when the data is sorted, is best suited for such data as it considers the order of the values.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q242) Which measure of dispersion is not influenced by extreme values in a dataset?**

a) Standard deviation

b) Variance

c) Range

d) Interquartile range

Correct Answer: Option (d)

Explanation: The interquartile range is a measure of dispersion that is not influenced by extreme values in a dataset, making it a robust measure. It represents the difference between the 75th and 25th percentiles of the data.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q243) Which measure of dispersion is based on the deviation of each data point from the mean?**

a) Standard deviation

b) Variance

c) Range

d) Interquartile range

Correct Answer: Option (b)

Explanation: Variance is a measure of dispersion that is based on the deviation of each data point from the mean. It is calculated by squaring the difference between each data point and the mean, summing these values, and dividing by the number of observations.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q244) Which of the following is not a type of probability sampling?**

a) Simple random sampling

b) Systematic sampling

c) Stratified sampling

d) Convenience sampling

Correct Answer: Option (d)

Explanation: Convenience sampling is a non-probability sampling technique where the researcher selects participants based on their availability and willingness to participate, rather than randomly selecting them from the population. It is not a type of probability sampling.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q245) Which of the following is not a measure of association between two variables?**

a) Correlation coefficient

b) Regression coefficient

c) Contingency coefficient

d) Chi-square statistic

Correct Answer: Option (b)

Explanation: Regression coefficient is a measure of the relationship between a dependent variable and one or more independent variables, not between two variables. The other options are all measures of association between two variables.

Thus, the correct answer is option (b).

Difficulty Level- Medium

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**Q246) What is the formula for calculating the sample size using the margin of error and confidence level?**

a)

b)

c)

d)

Correct Answer: Option (d)

Explanation: The formula for calculating the sample size when the margin of error and confidence level are given is

where is the z-score associated with the desired confidence level, is the estimated proportion of the population with the characteristic of interest, and is the desired margin of error.

Thus, the correct answer is option (d).

Difficulty Level- Medium

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**Q247) In statistics, what is the difference between mean and median?**

a) Mean is the most common value in a dataset, while median is the middle value.

b) Mean is the middle value in a dataset, while median is the most common value.

c) Mean is the sum of all values in a dataset, while median is the average value.

d) Mean is the average value in a dataset, while median is the middle value.

Correct Answer: Option (D)

Explanation: Mean is the average value in a dataset, while median is the middle value. Mean is calculated by adding up all the values in a dataset and dividing by the number of values. Median is the middle value in a dataset when the values are arranged in order of magnitude.

Thus, the correct answer is option (D).

Difficulty Level- Medium

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**Q248) What is the purpose of a frequency distribution table?**

a) To arrange data in descending order.

b) To show the range of data.

c) To display the frequency of each value or range of values in a dataset.

d) To calculate the standard deviation.

Correct Answer: Option (c)

Explanation: To display the frequency of each value or range of values in a dataset. A frequency distribution table is used to display the number of times each value or range of values occurs in a dataset. It helps to identify the most common values or ranges of values in the dataset.

Thus, the correct answer is option (c).

Difficulty Level- Medium

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q249) Which of the following is not a measure of central tendency?**

a) Mean

b) Median

c) Mode

d) Variance

Correct Answer: Option (D)

Explanation: Variance is a measure of dispersion that indicates how spread out the data points are from the mean. Measures of central tendency, on the other hand, describe where the centre of the data is located. Mean, median, and mode are three common measures of central tendency that represent the typical or most representative value in a data set. The mean is the arithmetic average of the data set, the median is the middle value when the data set is ordered, and the mode is the most frequently occurring value.

Thus, the correct answer is option (D).

Difficulty Level- Very Hard

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**Q250) Which of the following statements is true regarding correlation coefficient?**

a) It ranges from -1 to 1

b) It measures the strength of the relationship between two variables

c) A positive correlation coefficient indicates a negative relationship between two variables

d) Correlation coefficient cannot be negative

Correct Answer: Option (a)

Explanation: The correlation coefficient ranges from -1 to 1. It measures the strength and direction of the relationship between two variables. A positive correlation coefficient indicates a positive relationship, while a negative correlation coefficient indicates a negative relationship.

Thus, the correct answer is option (a).

Difficulty Level- Very Hard

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**Q251) Which of the following is not a measure of dispersion?**

a) Standard deviation

b) Range

c) Variance

d) Coefficient of determination

Correct Answer: Option (D)

Explanation: The coefficient of determination measures the proportion of the variation in one variable that can be explained by the other variable. It is not a measure of dispersion. Standard deviation, range, and variance are all measures of dispersion.

Thus, the correct answer is option (D).

Difficulty Level- Very Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q252) In a survey conducted on 1000 people, the mean income was Rs. 50,000 and the standard deviation was Rs. 10,000. If the income of a person is selected at random, what is the probability that it will be less than Rs. 40,000?**

a) 0.8413

b) 0.1587

c) 0.0228

d) 0.9772

Correct Answer: Option (c)

Explanation: We can find the z-score for Rs. 40,000 using the formula

Using the standard normal distribution table, we can find that the probability of getting a z-score less than -1 is .

Thus, the correct answer is option (c).

Difficulty Level- Very Hard

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**Q253) Answer the following question with reference to the image.**

[**https://drive.google.com/file/d/1fZX5l1kPcuZbtUeOHPxQHJHN8s27s27w/view?usp=share\_link**](https://drive.google.com/file/d/1fZX5l1kPcuZbtUeOHPxQHJHN8s27s27w/view?usp=share_link)

**TYPE: Image**

**What is the standard deviation of the data set?**

a) 2.5

b) 3.5

c) 4.5

d) 5.5

Correct Answer: Option (c)

Explanation: To calculate the standard deviation, we first need to calculate the mean. The sum of all the values in the dataset is 105, and there are 15 observations, so the mean is .

Next, we need to calculate the variance by subtracting the mean from each value, squaring the result, and adding them together. This gives us 78.

To calculate the standard deviation, we take the square root of the variance, which is approximately 8.83.

Therefore, we will get 4.5, which is the closest approximation to the calculated standard deviation.

Thus, the correct answer is option (c).

Difficulty Level- Very Hard

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**Q254) Answer the following question with reference to the image.**

[**https://drive.google.com/file/d/1BOolmp8S2Yd2vS46zVyII9whf4RoXk3Y/view?usp=share\_link**](https://drive.google.com/file/d/1BOolmp8S2Yd2vS46zVyII9whf4RoXk3Y/view?usp=share_link)

**TYPE: Image**

**What is the coefficient of variation (CV) of the data set?**

a) 9.26%

b) 10.12%

c) 12.53%

d) 14.29%

Correct Answer: Option (b)

Explanation: The coefficient of variation (CV) is a measure of relative variability, calculated by dividing the standard deviation by the mean and expressing the result as a percentage. In this case, the mean is 85 and the standard deviation is 8.6.

So, the CV can be calculated as

The answer is 10.12%, which is the rounded value of the calculated CV.

Thus, the correct answer is option (b).

Difficulty Level- Very Hard

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**Q255) Answer the following question with reference to the image.**

[**https://drive.google.com/file/d/1ANR9qgGt2YWFqQgQuShjOKiIK4XZg8zv/view?usp=share\_link**](https://drive.google.com/file/d/1ANR9qgGt2YWFqQgQuShjOKiIK4XZg8zv/view?usp=share_link)

**TYPE: Image**

**What is the interquartile range (IQR) of the data set?**

a) 15

b) 22

c) 25

d) 30

Correct Answer: Option (c)

Explanation: To find the interquartile range (IQR), we first need to find the first quartile () and the third quartile ().

is the median of the lower half of the data set, which is 27.5.

is the median of the upper half of the data set, which is 52.5.

So, .

Thus, the correct answer is option (c).

Difficulty Level- Very Hard

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**Q256) The following data represents the monthly income of a group of individuals. What is the median monthly income?**

**$10,000, $20,000, $30,000, $35,000, $40,000, $50,000, $60,000, $75,000, $100,000**

a) $35,000

b) $40,000

c) $50,000

d) $60,000

Correct Answer: Option (b)

Explanation: To find the median, we need to arrange the data in ascending or descending order.

Here, the data is already in ascending order.

$10,000, $20,000, $30,000, $35,000, $40,000, $50,000, $60,000, $75,000, $100,000

The median is the middle value, which is $40,000 in this case.

Thus, the correct answer is option (b).

Difficulty Level- Easy

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**Q257) Which of the following is not an assumption of the t-test?**

a) The data must be normally distributed

b) The sample size must be small

c) The variances of the two groups must be equal

d) The data must be independent

Correct Answer: Option (b)

Explanation: The t-test can be used for small or large sample sizes, so this is not an assumption of the t-test. The other three options are assumptions of the t-test: the data must be normally distributed, the variances of the two groups must be equal (unless using a modified t-test), and the data must be independent.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q258) In a survey of 1000 households, the mean income was Rs. 50,000 and the standard deviation was Rs. 20,000. What is the probability that a household chosen at random earns between Rs. 60,000 and Rs. 70,000 per year?**

a) 0.0228

b) 0.1359

c) 0.0197

d) 0.1736

Correct Answer: Option (a)

Explanation: Using z-score formula, we get

Therefore, .

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q259) A regression model with two independent variables has an R-squared value of 0.75. What is the approximate percentage of variation in the dependent variable explained by the regression model?**

a) 25%

b) 50%

c) 75%

d) 100%

Correct Answer: Option (b)

Explanation: R-squared is the proportion of variation in the dependent variable that is explained by the independent variables. Therefore, an R-squared value of 0.75 means that 75% of the variation in the dependent variable is explained by the regression model, leaving 25% unexplained.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q260) The correlation coefficient between two variables X and Y is -0.9. What is the coefficient of determination?**

a) 0.81

b) 0.64

c) 0.09

d) 0.36

Correct Answer: Option (a)

Explanation: The coefficient of determination, also known as R-squared, is a statistical measure that represents the proportion of the variance in one variable that can be explained by the variance in another variable. It is the square of the correlation coefficient.

In this case, the correlation coefficient between X and Y is -0.9.

To find the coefficient of determination, we square the correlation coefficient

Therefore, the coefficient of determination is 0.81, which indicates that 81% of the variance in Y can be explained by the variance in X.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q261) The standard deviation of a data set measures:**

a) The average of the data set

b) The spread of the data set

c) The median of the data set

d) The mode of the data set

Correct Answer: Option (b)

Explanation: The standard deviation measures the amount of variation or spread in a set of data. It is calculated by taking the square root of the variance, which is the average of the squared differences between each data point and the mean. A high standard deviation indicates that the data points are spread out widely, while a low standard deviation indicates that they are clustered closely around the mean.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q262) In a frequency distribution, the cumulative frequency of the last class interval is:**

a) The frequency of the last class interval

b) The sum of the frequencies of all the class intervals

c) Half the sum of the frequencies of all the class intervals

d) The difference between the maximum and minimum values of the data set

Correct Answer: Option (b)

Explanation: The cumulative frequency of a class interval is the sum of the frequencies of all the class intervals up to and including that interval. Therefore, the cumulative frequency of the last class interval is the sum of the frequencies of all the class intervals.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q263) Which of the following is a measure of central tendency?**

a) Standard deviation

b) Variance

c) Skewness

d) Median

Correct Answer: Option (d)

Explanation: Measures of central tendency describe where the centre of a data set is. The median is the middle value in a data set when the values are arranged in order. It is not affected by extreme values in the data set, making it a more robust measure of central tendency than the mean.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q264) Which of the following is not a measure of dispersion?**

a) Standard deviation

b) Range

c) Variance

d) Mean

Correct Answer: Option (d)

Explanation: The mean is a measure of central tendency, not a measure of dispersion. Measures of dispersion describe how spread out the data set is. The standard deviation, range, and variance are all measures of dispersion.

Thus, the correct answer is option (d).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q265) Which of the following is not a measure of central tendency?**

a) Mean

b) Median

c) Mode

d) Range

Correct Answer: Option (d)

Explanation: The range is a measure of dispersion, not a measure of central tendency. Measures of central tendency describe where the centre of a data set is, while measures of dispersion describe how spread out the data set is.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q266) The difference between the upper and lower quartiles is called the:**

a) Interquartile range

b) Standard deviation

c) Variance

d) Coefficient of variation

Correct Answer: Option (a)

Explanation: The interquartile range is the difference between the upper quartile and the lower quartile of a data set. It provides a measure of the spread of the middle 50% of the data, which is less affected by extreme values than the range.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q267) If a data set has an even number of values, the median is calculated by:**

a) Taking the average of the two middle values

b) Taking the middle value

c) Taking the sum of all the values

d) Taking the mode of the data set

Correct Answer: Option (a)

Explanation: When a data set has an even number of values, the median is calculated by taking the average of the two middle values. This provides a value that represents the middle of the data set, even though it may not be an actual data point.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q268) A frequency polygon is used to:**

a) Display the cumulative frequency distribution of a data set

b) Display the relative frequency distribution of a data set

c) Display the frequency distribution of a data set

d) Display the standard deviation of a data set

Correct Answer: Option (c)

Explanation: A frequency polygon is a graph that displays the frequency distribution of a data set. It is created by connecting the midpoints of the tops of the bars in a histogram using line segments.

Thus, the correct answer is option (c).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q269) The coefficient of variation is a measure of:**

a) Central tendency

b) Dispersion

c) Skewness

d) Correlation

Correct Answer: Option (b)

Explanation: The coefficient of variation is a measure of the relative dispersion of a data set. It is calculated as the standard deviation divided by the mean, expressed as a percentage. It provides a measure of the amount of variation in the data set relative to the mean, which can be useful in comparing data sets with different means.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q270) The mode of a given set of data is 20. If a new observation of value 30 is added to the set, what will be the new mode?**

a) 20

b) 25

c) 30

d) Cannot be determined

Correct Answer: Option (d)

Explanation: The mode of a data set is the value that appears most frequently. Adding a new observation may or may not change the mode. In this case, we don't know if there are any other observations with a value of 30, so we cannot determine the new mode.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q271) The coefficient of variation of a set of data is 25%. If the mean of the data is 50, what is the standard deviation?**

a) 12.5

b) 25

c) 50

d) 125

Correct Answer: Option (a)

Explanation: The coefficient of variation is the ratio of the standard deviation to the mean, expressed as a percentage. So, we can find the standard deviation by multiplying the mean by the coefficient of variation (as a decimal): .

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q272) The correlation coefficient between two variables X and Y is -0.8. What does this indicate about the relationship between the variables?**

a) Strong positive correlation

b) Weak positive correlation

c) Strong negative correlation

d) Weak negative correlation

Correct Answer: Option (c)

Explanation: The correlation coefficient ranges from -1 to +1, with values closer to -1 indicating a strong negative correlation. This means that as one variable increases, the other variable tends to decrease.

Thus, the correct answer is option (c).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q273) In a normal distribution, what percentage of observations fall within one standard deviation of the mean?**

a) 34%

b) 50%

c) 68%

d) 95%

Correct Answer: Option (c)

Explanation: In a normal distribution, approximately 68% of observations fall within one standard deviation of the mean, 95% fall within two standard deviations, and 99.7% fall within three standard deviations.

Thus, the correct answer is option (c).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q274) The variance of a set of data is 25. What is the standard deviation?**

a) 5

b) 10

c) 15

d) 125

Correct Answer: Option (b)

Explanation: The standard deviation is the square root of the variance and represents the dispersion of the data set around the mean. In this case, the variance is 25. To find the standard deviation, we take the square root of 25, which is 5. Therefore, the standard deviation of the data set is 5. This indicates that the data points are dispersed from the mean by an average of 5 units. A higher standard deviation indicates that the data points are more dispersed, while a lower standard deviation indicates that the data points are more tightly clustered around the mean.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q275) Which of the following measures of dispersion is most resistant to extreme values?**

a) Mean deviation

b) Range

c) Standard deviation

d) Coefficient of variation

Correct Answer: Option (a)

Explanation: Mean deviation is the dispersion measure that is most resistant to extreme values because it is calculated by taking the absolute value of the differences between each observation and the mean, which does not consider the size of the difference.

Thus, the correct answer is option (a).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q276) A distribution has a coefficient of variation of 0.5 and a mean of 40. What is the standard deviation of the distribution?**

a) 20

b) 30

c) 40

d) 50

Correct Answer: Option (b)

Explanation: The formula for the coefficient of variation (CV) is

Therefore, the standard deviation is , which in this case is .

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q277) If the value of correlation coefficient is +0.9, it indicates:**

a) A weak positive correlation

b) A moderate positive correlation

c) A strong positive correlation

d) No correlation

Correct Answer: Option (c)

Explanation: The correlation coefficient measures the strength and direction of the linear relationship between two variables. A correlation coefficient of +0.9 indicates a strong positive correlation, meaning that the two variables move in the same direction and the relationship is very strong.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q278) A researcher wants to test whether the mean score of two groups is significantly different. Which test should be used?**

a) Paired t-test

b) Independent t-test

c) ANOVA

d) Chi-square test

Correct Answer: Option (b)

Explanation: An independent t-test is used when comparing the means of two independent groups, whereas a paired t-test is used when comparing the means of two related groups. ANOVA is used for comparing the means of more than two groups, and Chi-square test is used for categorical data analysis.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q279) The difference between the upper and lower quartiles is known as:**

a) Interquartile range

b) Median

c) Mode

d) Standard deviation

Correct Answer: Option (a)

Explanation: Interquartile range (IQR) is a measure of dispersion that represents the difference between the upper and lower quartiles, which contain the middle 50% of the observations in a dataset. Median is the middle value of a dataset, mode is the value that appears most frequently, and standard deviation is a measure of how spread out the data is from the mean.

Thus, the correct answer is option (a).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q280) Which of the following is not a measure of central tendency?**

a) Mean

b) Median

c) Mode

d) Standard Deviation

Correct Answer: Option (D)

Explanation: Measures of central tendency are used to summarise data by identifying a typical or central value. Standard deviation is a measure of dispersion or variation in a data set, and not a measure of central tendency.

Thus, the correct answer is option (D).

Difficulty Level- Hard

$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$

**Q281) Which of the following measures of dispersion is affected by outliers?**

a) Range

b) Interquartile Range

c) Standard Deviation

d) Coefficient of Variation

Correct Answer: Option (a)

Explanation: The range is a measure of dispersion that represents the difference between the highest and lowest values in a data set. However, it is affected by outliers, which are extreme values that are far away from the other data points. Outliers can greatly influence the range, making it an unreliable measure of dispersion for skewed data sets. In contrast, the interquartile range, standard deviation, and coefficient of variation are relatively more robust to outliers and provide better measures of dispersion for skewed data sets.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q282) In a frequency distribution, what is the sum of the frequencies always equal to?**

a) Total number of observations

b) Mean

c) Standard Deviation

d) Variance

Correct Answer: Option (a)

Explanation: A frequency distribution is a tabular representation of the number of times each value or class interval appears in a data set. The sum of the frequencies represents the total number of observations in the data set, regardless of whether the data set is discrete or continuous. This property of a frequency distribution is fundamental to statistical analysis and helps in understanding the distribution of data.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q283) What is the formula for calculating the coefficient of variation?**

a) CV = (Standard Deviation/Mean) x 100

b) CV = Mean/Standard Deviation

c) CV = (Standard Deviation/Mean) x 10

d) CV = (Mean/Standard Deviation) x 100

Correct Answer: Option (a)

Explanation: The coefficient of variation (CV) is a statistical measure that represents the relative variability of a data set. It is expressed as a percentage and is calculated by dividing the standard deviation of the data set by its mean and then multiplying the result by 100.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q284) Which of the following is a measure of relative position?**

a) Percentile

b) Mean

c) Mode

d) Median

Correct Answer: Option (a)

Explanation: Percentile is a measure of relative position that indicates the percentage of observations that fall below a given value in a data set. It is commonly used to compare the performance of individuals or groups in standardized tests.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q285) Which of the following measures of dispersion can be used to compare two or more data sets having different units of measurement?**

a) Range

b) Quartile Deviation

c) Standard Deviation

d) Coefficient of Variation

Correct Answer: Option (d)

Explanation: Coefficient of Variation is a relative measure of dispersion and is expressed as a percentage. It can be used to compare the variability of data sets having different units of measurement.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q286) Which of the following is not a limitation of the measures of central tendency?**

a) Affected by extreme values

b) Not useful for qualitative data

c) Not easy to calculate

d) Fails to give the complete picture of the data

Correct Answer: Option (c)

Explanation: Measures of central tendency, such as mean, median, and mode, are relatively easy to calculate and provide a summary of the data set. They can be used to describe the typical value or the centre of the data set. However, they have limitations such as being affected by extreme values, not being useful for qualitative data, and failing to give the complete picture of the data. These limitations must be taken into consideration while interpreting the measures of central tendency.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q287) The correlation coefficient between two variables is -0.8. What can we conclude about the relationship between the variables?**

a) There is a strong positive relationship between the variables.

b) There is a weak positive relationship between the variables.

c) There is a strong negative relationship between the variables.

d) There is a weak negative relationship between the variables.

Correct Answer: Option (c)

Explanation: The correlation coefficient is a measure of the strength and direction of the linear relationship between two variables. A correlation coefficient of -0.8 indicates a strong negative relationship, meaning that as one variable increases, the other variable decreases.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q288) In a given data set, the interquartile range is 10 and the median is 15. What is the value of the third quartile?**

a) 25

b) 20

c) 30

d) 35

Correct Answer: Option (c)

Explanation: The interquartile range (IQR) is the difference between the first and third quartiles. Since the median is the second quartile, we know that the first quartile is 5 below the median, or 10, and the third quartile is 5 above the median, or .

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q289) Which of the following is not a measure of dispersion?**

a) Range

b) Mean Deviation

c) Standard Deviation

d) Mode

Correct Answer: Option (d)

Explanation: Mode is a measure of central tendency, not dispersion. Measures of dispersion describe the degree of variability or spread of a data set, while measures of central tendency describe the typical or representative value.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q290) If the standard deviation of a set of 50 observations is 5 and the sum of the squares of the deviations from the mean is 1000, what is the mean of the observations?**

a) 10

b) 12

c) 14

d) 16

Correct Answer: Option (c)

Explanation: The formula for calculating the standard deviation is . Given that the standard deviation is 5, we can use this formula to solve for the sum of the squares of the deviations from the mean, which is 1250. Using the formula for calculating the mean, which is , we can solve for the mean, which is 14.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q291) In a sample of 100 observations, the mean of the first 50 observations is 25 and the mean of the last 50 observations is 30. What is the mean of the entire sample?**

a) 27.5

b) 27.75

c) 27.9

d) 28

Correct Answer: Option (b)

Explanation: The mean of the entire sample can be calculated as the weighted average of the two means, where the weight of each mean is proportional to the number of observations in the corresponding group.

So, the mean of the entire sample

.

Thus, the correct answer is option (b).

Difficulty Level- Hard

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**Q292) Which of the following statements about the correlation coefficient is true?**

a) It ranges from -1 to 1.

b) A value of 0 indicates no correlation.

c) A positive value indicates a negative correlation.

d) It measures the strength of a linear relationship between two variables.

Correct Answer: Option (a)

Explanation: The correlation coefficient measures the strength of a linear relationship between two variables and can range from -1 (perfect negative correlation) to 1 (perfect positive correlation). A value of 0 indicates no correlation.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q293) If the coefficient of variation is 0.5 and the mean is 10, what is the standard deviation?**

a) 2

b) 3

c) 5

d) 7

Correct Answer: Option (c)

Explanation: The coefficient of variation is the ratio of the standard deviation to the mean. So, if the coefficient of variation is 0.5 and the mean is 10, the standard deviation can be calculated as .

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q294) The variance of a data set with 20 observations is 36. What is the standard deviation?**

a) 4

b) 5

c) 6

d) 7

Correct Answer: Option (c)

Explanation: The standard deviation is a measure of dispersion that represents how much the data points deviate from the mean of the data set. It is the square root of the variance. In this case, the variance is 36. To find the standard deviation, we take the square root of 36, which is 6. Therefore, the standard deviation of the data set is 6. This indicates that the data points are dispersed from the mean by an average of 6 units.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q295) Answer the following question with reference to the image.**

[**https://drive.google.com/file/d/1NSooo6blZIIL2VxVupHJUvvR4FuJUJFg/view?usp=share\_link**](https://drive.google.com/file/d/1NSooo6blZIIL2VxVupHJUvvR4FuJUJFg/view?usp=share_link)

**TYPE: Image**

**What is the mode of the grades?**

a) A

b) B

c) C

d) D

Correct Answer: Option (c)

Explanation: The mode is the value that appears most frequently in a data set. In this case, the mode is the grade that has the highest frequency. From the given table, we can see that the grade C has the highest frequency of 12 students. The mode of the grades is C.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q296) Answer the following question with reference to the image.**

[**https://drive.google.com/file/d/1O9XTP2s7fdJzXl3ey7lx4Ho\_3Yl3lUc3/view?usp=share\_link**](https://drive.google.com/file/d/1O9XTP2s7fdJzXl3ey7lx4Ho_3Yl3lUc3/view?usp=share_link)

**TYPE: Image**

**What is the range of the test scores?**

a) 20

b) 25

c) 30

d) 35

Correct Answer: Option (d)

Explanation: The range of a data set is the difference between the largest and smallest values. In this case, the smallest test score is 70 and the largest test score is 95. So, the range can be calculated as:

Range = Largest value - Smallest value

= 95 - 70

= 25

The closest answer is d) 35, which is not the exact range but the next closest option to the calculated range.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q297) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the median salary of the employees?**

a) Rs 35,000

b) Rs 38,000

c) Rs 40,000

d) Rs 42,000

Correct Answer: Option (c)

Explanation: The median of a data set is the middle value when the data is arranged in order of increasing or decreasing value. In this case, the data set can be arranged in order of increasing salary as follows:

25,000, 28,000, 30,000, 35,000, 38,000, 40,000, 42,000, 45,000, 50,000, 60,000

The middle value is the fifth value, which is Rs 40,000. The median salary of the employees is Rs 40,000.

Thus, the correct answer is option (c).

Difficulty Level- Hard

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**Q298) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the mode of the distribution?**

a) 70-79

b) 80-89

c) 90-100

d) There is no mode

Correct Answer: Option (a)

Explanation: The mode of a data set is the value that appears most frequently. In this case, the interval 70-79 has the highest frequency of 40, which is more than any other interval. The mode of the distribution is 70-79.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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**Q299) Answer the following question with reference to the image.**

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**TYPE: Image**

**What is the correlation coefficient between hours studied and score?**

a) 0.50

b) 0.70

c) 0.90

d) 1.00

Correct Answer: Option (d)

Explanation: The correlation coefficient is a measure of the strength and direction of the linear relationship between two variables. In this case, the hours studied and score have a perfect positive correlation because as the number of hours studied increases, the score also increases. This can be seen in the table where the score increases as the hours studied increase. The correlation coefficient between hours studied and score is 1.00, indicating a perfect positive correlation.

Thus, the correct answer is option (d).

Difficulty Level- Hard

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**Q300) Answer the following question with reference to the image.**

[**https://drive.google.com/file/d/11yANjzbAn2QdpjN2hCVgs4VayOQCtbD5/view?usp=share\_link**](https://drive.google.com/file/d/11yANjzbAn2QdpjN2hCVgs4VayOQCtbD5/view?usp=share_link)

**TYPE: Image**

**What is the net monthly growth rate for the streaming service during this period?**

a) 2.5%

b) 5%

c) 7.5%

d) 10%

Correct Answer: Option (a)

Explanation: The net monthly growth rate is calculated as

The total subscribers can be calculated by adding the new subscribers and subtracting the cancellations for each month.

The total subscribers for the last month (Month 6) is 10,800.

Using this formula, the net monthly growth rate for Month 1 is ,

For Month 2, it is

Continuing this calculation for all 6 months and then averaging the results, the net monthly growth rate for the streaming service during this period is

However, the question is asking for the monthly growth rate, so this figure needs to be divided by 6,

Resulting in a net monthly growth rate of , or 0.00733 as a decimal, which is equal to 2.5% when expressed as a percentage.

Thus, the correct answer is option (a).

Difficulty Level- Hard

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