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Total Printed Pages : 12

Booklet Serial No.

Roll No. ....

**264001**  
**ENTRANCE TEST, 2026**  
**Assistant Professor (Economics)**

Time : 60 Minutes

Max. Marks : 50

**Break Open the seal when directed to do so by the invigilator.**

***Instructions :***

1. The question paper carries 50 Multiple Choice Questions. All the questions are compulsory. Each question carries four answers marked (A), (B), (C) and (D), out of which one is correct. Each correct question is of one mark and there will be negative marking of 0.25 for each wrong question.
2. *Before answering questions, candidate should ensure that this Question Booklet contain 12 pages. No part of booklet is torn or misprint and all 50 Nos. of questions are in sequence. In that case, candidate can take new Question booklet from the centre Superintendent.*
3. Write your Roll No. in the space provided for it.
4. Writing anything, putting any dot, tick mark, mutilating, removing any part of this Question Booklet is strictly prohibited.
5. Taking the Question Booklet out of the Examination Hall is strictly prohibited during examination hours.
6. Before leaving the examination hall, the candidate will ensure that he/she has **handed-over the Response-sheet (OMR Sheet) to the invigilator** on duty.
7. **Don't use calculator** or any other calculating device to solve the questions.
8. Do the **ROUGH WORK** on the sheet provided specially for this purpose in the last of this Question Booklet.
9. **Use blue/black ball pen only to mark responses on response sheet.**
10. If candidate darkens more than one circle or cutting/overwriting/erasing (by eraser, white fluid or any other chemicals) then such answer(s) shall be treated as wrong answer and there will be negative marking.
11. Bringing of incriminating materials/electronic gadgets/devices including cell phone in the premises of the examination centre is strictly prohibited. Possessing of incriminating materials electronic gadgets/devices and any other aiding material in the examination room will be a serious offence and it will attract the cancellation of the candidature.

**(For Rough Work Only)**

## ECONOMICS

1. Empirical validity of the Comparative Cost Advantage theory was made by :  
(A) G.D.A. MacDougall                      (B) W. W. Leontief  
(C) R. Bhardwaj                              (D) B.S. Minhas
  
2. Devaluation means :  
(A) Increase in the external value of a currency  
(B) Decrease in the internal value of a currency  
(C) Officially reducing the external value of the currency  
(D) Surge in the internal value of a currency
  
3. The basis of gains from International Trade is :  
(A) Foreign Exchange Rate  
(B) Equal cost differences  
(C) Absolute cost advantage  
(D) Difference in the resource endowments
  
4. How many countries are members of International Bank for Reconstruction and Development ?  
(A) 188    (B) 189  
(C) 190    (D) 191
  
5. The persistent dumping occurs when the domestic demand for the product is inelastic but the foreign demand for the product is :  
(A) Unitary    (B) Highly elastic  
(C) Perfectly elastic                              (D) Perfectly inelastic

6. Which 'Pure theory of public expenditure' says that public goods are provided collectively ?
- (A) Johansen Theory                      (B) Samuelson Theory  
(C) Pigou Theory                          (D) Benefit Principle
7. Which of the following methods can be used to achieve horizontal fiscal imbalance ?
- (A) Tax denial  
(B) Tax credit  
(C) Selective grants-in-aid  
(D) Inter-personal fiscal equity
8. Sham had an income of Rs. 4 lakhs last year and paid Rs. 10,000 in tax. This year, he had an income of Rs. 6 lakhs and paid Rs. 40,000 in tax. His tax rate is :
- (A) Progressive                              (B) Regressive  
(C) Proportional                              (D) Degressive
9. Which of the following components is *not* the part of Revenue Budget of the Government ?
- (A) Corporation tax receipts  
(B) Service tax receipts  
(C) Interest receipts  
(D) Disinvestment receipts

10. High powered money supply for all practical purposes is measured as :
- (A) Currency and time deposits only
  - (B) Liabilities of the commercial banks
  - (C) Demand deposit liabilities of the banks
  - (D) Currency held by public and cash reserves of the commercial banks
11. Which of the following is an important determinant of the actual value of money multiplier ?
- (A) Cash Reserve Ratio of the banks
  - (B) Currency-deposit Ratio of the public
  - (C) High-powered money
  - (D) Gold stocks
12. What action will be taken by RBI, when rupee is appreciating against US dollar ?
- (A) Sell US dollars in the market
  - (B) Buy US dollars from the market
  - (C) Borrow rupee funds from the market
  - (D) Decrease Cash Reserve Ratio
13. Which of the following statements is *not correct* ?
- (A) Central bank acts as bankers' bank
  - (B) Central bank acts as Government banker
  - (C) Central bank does not control credit operations of banks
  - (D) Central bank is the custodian of foreign exchange reserves

14. An increase in the size of money multiplier will :
- (A) decrease money supply
  - (B) increase money supply
  - (C) not change money supply
  - (D) reduce interest rate
15. Which of the following is a prime reason for difference in the level of development between countries ?
- (A) Total factor productivity
  - (B) Capital formation
  - (C) Prevailing rate of saving
  - (D) Prevailing rate of productivity change
16. Which of the following indicators is *not* taken in the measurement of Human Development Index ?
- (A) Longevity
  - (B) Educational attainment
  - (C) Infant mortality
  - (D) Decent standard of living
17. Which of the following assumptions is *not* correct in the Joan Robinson's model of capital accumulation ?
- (A) Constant price level
  - (B) Entrepreneurs consume nothing
  - (C) Workers save nothing
  - (D) Higher technical progress

18. Which of the following was *not* an assumption of Nicholas Kaldor's model of economic growth ?
- (A) Full employment
  - (B) Change in the share of profits and wages influences the choice of technique adopted
  - (C) Marginal Propensity to Save of the Capitalists is higher than that of the Wage-earners
  - (D) The ratio of investment to output is an independent variable
19. How many goals and targets were fixed in the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015 ?
- (A) 17 goals and 169 targets
  - (B) 8 goals and 92 targets
  - (C) 15 goals and 152 targets
  - (D) 22 goals and 196 targets
20. According to Kaldor's Model of Distribution, the marginal propensity to save of the capitalists in comparison to wage-earners is :
- (A) higher
  - (B) lower
  - (C) constant
  - (D) worse

21. Which of the following is the reason to treat environment quality as public good ?
- (A) Marginal cost is not zero
  - (B) Excludable consumption
  - (C) Non-rival consumption
  - (D) Marketable
22. When did Thomas Malthus publish the first edition of his book, 'Essay of Population" ?
- (A) 1798
  - (B) 1804
  - (C) 1821
  - (D) 1850
23. The demographic dividend is the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population (15 to 64) is :
- (A) larger than the non-working-age share of the population
  - (B) smaller than the non-working-age share of the population
  - (C) equal to the non-working-age share of the population
  - (D) smaller than the non-working-age 14 and younger share of the population

24. As per 2nd Advanced Estimates, India's Real GDP (at 2022-23 prices) during 2025-26 has been estimated to grow by :
- (A) 6.7% (B) 7.1%  
(C) 7.5% (D) 7.6%
25. As per revised MSME definition in India, effective from April 2025, the micro enterprise has the investment limit up to Rs. :
- (A) 1.5 crores (B) 2.5 crores  
(C) 5 crores (D) 10 crores
26. Which Indian State has the largest production of Sunflower during 2024-25 ?
- (A) Punjab (B) Haryana  
(C) Karnataka (D) Odisha
27. Which country had the largest share in the FDI inflow in India during 2024-25 ?
- (A) Mauritius (B) UK  
(C) USA (D) Singapore
28. What percentage of weightage has been given to 'contribution to GDP' under the criteria for distribution of central taxes among states by 16th Finance Commission ?
- (A) 5% (B) 10%  
(C) 15% (D) 17.5%

29. Utility is :
- (A) Subjective
  - (B) Moral
  - (C) Want-satisfying power of a good
  - (D) Both (A) and (C)
30. Increase in demand means :
- (A) Rise in demand due to fall in price
  - (B) Fall in demand due to rise in price
  - (C) More demand at same price
  - (D) Less demand at more price
31. Isoquant is an :
- (A) Equal-cost curve
  - (B) Equal-product curve
  - (C) Equal-revenue curve
  - (D) None of these
32. Hicks and Samuelson proved the Product Exhaustion Theorem by assuming the conditions of :
- (A) Constant returns to scale
  - (B) Imperfect competition
  - (C) Perfect competition
  - (D) Increasing returns to scale
33. Bergson-Samuelson Social Welfare Function considers only the :
- (A) Cardinal measurability of utility
  - (B) Hypothetical compensating payments
  - (C) Least cost combination of factors
  - (D) Ordinal preferences of individuals

34. Which of the following Lerner and Hicks derived marginal condition is *not* correct for the attainment of Pareto optimum ?
- (A) Goods are perfectly divisible
  - (B) All factors of production are perfectly mobile
  - (C) Every individual wants to maximize his satisfaction
  - (D) Every individual has his own cardinal utility function
35. GDP at market price means market value of :
- (A) Intermediate good
  - (B) Final goods minus depreciation
  - (C) Raw material
  - (D) Final goods including depreciation
36. According to Keynes, marginal propensity to consume decreases as income :
- (A) decreases
  - (B) remains constant
  - (C) increases
  - (D) becomes random
37. Phillips gave his empirical evidence on unemployment and inflation based on historical data of :
- (A) UK during 1861-1957
  - (B) USA during 1971-91
  - (C) Japan during 1900-1952
  - (D) Italy during 1890-1961

38. If interest elasticity of demand for money is high, LM curve is :
- (A) flatter (B) steep  
(C) upward to the left (D) downward to the left
39. Which of the following assumptions of Hicks' Theory of Business Cycle is *not* true ?
- (A) The autonomous investment increases at constant rate.  
(B) The magnitudes of multiplier and acceleration coefficients are not fixed.  
(C) Consumption of current period is a function of income of the previous period.  
(D) Ceiling to expansion is imposed by the full employment of resources
40. The real factor that causes demand-pull inflation and upward shift in the IS (Investment-Saving) is :
- (A) Downward shift in the investment function  
(B) Upward shift in the saving function  
(C) Increase in tax rates without change in the government expenditure  
(D) Increase in government spending given the tax revenue
41. Negative Correlation is possible, when :
- (A) values of two variables move in same direction  
(B) values of two variables move in opposite direction  
(C) values of two variable would not change  
(D) None of the above

42. In which of the following probability distributions, Mean is equal to Variance ?
- (A) Normal
  - (B) Binomial
  - (C) Poisson
  - (D) None of the above
43. The Spearman's rank correlation coefficient is :
- (A) distribution free
  - (B) normally distributed
  - (C) parametric
  - (D) one while doing sum of the ranks between two variables
44. In a hypothesis testing, the critical value of the standard normal variate  $Z$  for the One Tailed Test at 5% levels of significance is :
- (A)  $\pm 1.96$
  - (B)  $\pm 1.645$
  - (C)  $\pm 2.58$
  - (D)  $\pm 1.75$
45. Multicollinearity does not show up when :
- (A) Regression coefficients are sensitive to specification
  - (B) Correlation coefficients are of high values
  - (C)  $t$ -statistics are of high value
  - (D)  $R^2$  is high



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