

## PGT Economics

Q 1). Which Indian state is planning to launch a massive jungle safari project in the Aravalli Hills, aimed at promoting eco-tourism and sustainable development?

- (A) Rajasthan
- (B) Gujarat
- (C) Madhya Pradesh
- (D) Haryana

Correct Answer: (D)

Q 2). Prime Minister Modi had accorded a ceremonial welcome during his recent visit to Croatia at \_\_\_\_\_.

- (A) St. Mark's Church
- (B) Croatian Parliament
- (C) Banski Dvori Palace
- (D) Zagreb City Hall

Correct Answer: (C)

Q 3). Which of the following countries were recently elected to serve as a non-permanent member of the UN Security Council for a two-year term starting in January 2026?

1. Bahrain, Colombia, Latvia
2. Indonesia, Sri Lanka, Vietnam
3. Liberia, The Democratic Republic of Congo

- (A) 1, 2 & 3
- (B) 1 & 3
- (C) Only 2
- (D) 1 & 2

Correct Answer: (B)

Q 4). "How many characters are there in the story?" This question is of \_\_\_\_\_ level as per the revised Bloom's Taxonomy.

- (A) remembering
- (B) evaluation
- (C) understanding
- (D) application

Correct Answer: (A)

Q 5). Which of the following is an example of positive reinforcement as per child psychology?

- (A) Giving a child a time-out for misbehavior.
- (B) Praising a child for completing homework.
- (C) Removing TV privileges for poor grades.
- (D) Ignoring a child's tantrum.

Correct Answer: (B)

Q 6). As per NEP 2020, what is the proposed bagless period for students in Grades 6-8 in a year?

- (A) 5 days
- (B) 10 days
- (C) 15 days
- (D) 20 days

Correct Answer: (B)

Q 7). Which of the following curves is not a U-shaped curve?

- (A) AVC curve
- (B) AFC curve
- (C) MC curve
- (D) AC curve

Correct Answer: (B)

Q 8). What does the term NSDL stands for?

- (A) National Securities Development Limited
- (B) National Securities Depository Limited
- (C) National Safety Development Limited
- (D) Natural Safety Deployment Limited

Correct Answer: (B)

Q 9). Which of the following statements is correct regarding the price of a particular product of a firm in a perfectly competitive market?

- (A) The firm changes the price according to the demand.
- (B) The firm changes the price according to supply.
- (C) The firm simply accepts the price.
- (D) The firm actively involves in bargaining.

Correct Answer: (C)

Q 10). Who is regarded as the founding father of modern economics and author of *The Wealth of Nations*?

- (A) John Maynard Keynes
- (B) Karl Marx
- (C) Adam Smith
- (D) David Ricardo

Correct Answer: (C)

Q 11). \_\_\_\_\_ will not be considered as a Transfer Payment.

- (A) Subsidies
- (B) Scholarships
- (C) Old Age Pension
- (D) Dividend

Correct Answer: (D)

Q 12). \_\_\_\_\_ refers to unemployment which is bound to exist even when the labour market is in a state of equilibrium.

- (A) Involuntary Unemployment
- (B) Natural Rate of Unemployment
- (C) Full Employment
- (D) Voluntary Unemployment

Correct Answer: (B)

Q 13). Which is the second stage in law of returns to scale?

- (A) Increasing Returns to scale
- (B) Constant Returns to Scale
- (C) Negative Returns to Scale
- (D) Decreasing Returns to Scale

Correct Answer: (B)

Q 14). In the question below, there are two statements marked as Statements-1 and Statements-2. Read the both statements carefully and choose the correct option.

**Statement 1:** Leakages are the flow variables which cause an expansion in the process of production (or the process of income generation) in the economy.

**Statement 2:** Injections are the flow variables which cause a contraction in the process of production (or the process of income generation) in the economy.

- (A) Both Statements are True
- (B) Only Statement 1 is True
- (C) Only Statement 2 is True
- (D) Both Statements are false

Correct Answer: (D)

Q 15). If a researcher wants to find the class interval with the most observations in a frequency distribution table, what should they look for?

- (A) The highest upper-class limit
- (B) The midpoint of each class
- (C) The interval with the maximum frequency
- (D) The total number of observations

Correct Answer: (C)

Q 16). Which of the following is not Quantitative instrument of monetary policy of RBI?

- (A) Cash Reserve Ratio
- (B) Margin Requirement
- (C) Bank Rate
- (D) Open Market Operations

Correct Answer: (B)

Q 17). The law of diminishing marginal returns states which of the following?

- (A) Long-run average cost declines as output increases.
- (B) If the marginal product is above the average product, the average will rise.
- (C) As units of a variable input are added to a given amount of fixed inputs, the marginal product of the variable input eventually diminishes.
- (D) As a person consumes more of a good, the marginal satisfaction from that good eventually diminishes.

Correct Answer: (C)

Q 18). In which five-year plan human development was kept as the supreme goal?

- (A) Fifth Five Year plan
- (B) Sixth Five Year Plan
- (C) Seventh Five Year Plan
- (D) Eighth Five Year Plan

Correct Answer: (D)

Q 19). How much will the exchange rate change if the purchasing power of the currency does not change?

- (A) More than unit change
- (B) Less than unit change
- (C) Very little change
- (D) No change

Correct Answer: (D)

Q 20). Suppose the demand curve for a widget is given by  $Q = 400 - 3P + 5I$ , where  $I$  is average income measured in thousands of rupees. The supply curve for the widget is  $Q = 4P - 175$ . Suppose  $I = 25$ , find the market-clearing price and quantity for the widget respectively.

- (A) 200, 275
- (B) 100, 225
- (C) 300, 425
- (D) 200, 255

Correct Answer: (B)