

THE MAHARAJA SAYAJIRAO UNIVERSITY OF BARODA, VADODARA

Ph. D. ENTRANCE TEST (PET) 2023

Signature of Invigilator

Paper - II
Economics

Roll.
No.

--	--	--	--	--	--

Maximum Marks: 50

No. Of Printed Pages: 8

Instruction for the Candidate:

1. This paper consists of **FIFTY (50)** multiple choice type questions. Each Question carries **ONE (1)** mark.
2. There is no Negative Marking for Wrong Answer.
3. A separate OMR Answer Sheet has been provided to answer questions. Your answers will be evaluated based on your response in the OMR Sheet only. No credit will be given for any answering made in question booklet.
4. Defective question booklet or OMR if noticed may immediately replace by the concerned invigilator.
5. Write roll number, subject code, booklet type, category and other information correctly in the OMR Sheet else your OMR Sheet will not be evaluated by machine.
6. Select most appropriate answer to the question and darken appropriate oval on the OMR answer sheet, with black / blue ball pen only. **DO NOT USE PENCIL** for darkening. In case of over writing on any answer, the same will be treated as invalid. Each question has exactly one correct answer and has four alternative responses (A), (B), (C) and (D). You have to darken the circle as indicated below on the correct response against each item.
Example: (A) (B) (C) (D) where (B) is correct response.
7. Rough Work is to be done in the end of this booklet.
8. If you write your Name, Roll Number, Phone Number or put any mark on any part of the OMR Answer Sheet, except for the space allotted for the relevant entries, which may disclose your identity, or use abusive language or employ any other unfair means, such as change of response by scratching or using white fluid, you will render yourself liable to disqualification.
9. Calculators, Log tables any other calculating devices, mobiles, slide rule, text manuals etc are **NOT** allowed in the examination hall. If any of above is seized from the candidates during examination time; he/she will be immediately debarred from the examination and corresponding disciplinary action will be initiated by the Center Supervisor as deemed fit.
10. **DO NOT FOLD or TEAR OMR Answer sheet** as machine will not be able to recognize torn or folded OMR Answer sheet.
11. **You have to return the OMR Answer Sheet to the invigilator at the end of the examination compulsorily** and must not carry it with you outside the Examination Hall. You are however, allowed to carry original question booklet on conclusion of examination.

Paper - II

Economics

Note: This paper contains **FIFTY (50)** multiple-choice questions. Each Question carries **ONE (1)** mark.

- 01) A capital account surplus might be expected to cause a current account deficit because the associated
- A) capital outflow would cause the nation's currency to depreciate, contributing to a trade deficit.
 - B) capital inflow would cause the nation's currency to depreciate, contributing to a trade deficit.
 - C) capital inflow would cause the nation's currency to appreciate, contributing to a trade deficit.
 - D) capital outflow would cause the nation's currency to appreciate, contributing to a trade deficit.
- 02) Economic development is characterized by
- A) Structural change in the economy
 - B) Change in the income of the rest of the world
 - C) Increase in household size
 - D) change in government policies
- 03) Which of the following does not explain the term economic growth?
- A) Increase in per capita production
 - B) Increase in per capita real income
 - C) structural change in the economy
 - D) increase in population
- 04) Consider the following statements and identify the right ones.
- i. level of capital-output ratio indicates efficient use of capital.
 - ii. It reflects the productivity of capital in the economy
- A) i only
 - B) ii only
 - C) i and ii
 - D) none
- 05) The Harrod-Domar model suggests that growth is
- A) directly related to savings and inversely related to capital-output ration
 - B) directly related to capital-output ratio and inversely related to savings
 - C) indirectly related to capital-output ratio and savings
 - D) directly related to capital-output ratio and savings
- 06) To boost economic growth the government is most likely to
- A) Increase interest rates
 - B) increase taxation rates
 - C) provide incentives to save
 - D) provide incentives to invest
- 07) The rate of growth of the economy mainly depends on
- A) Rate of growth of income
 - B) Rate of growth of population
 - C) Rate of technological improvements
 - D) Rate of growth of urbanization
- 08) Which model is concerned with 'golden age' equilibrium
- A) Meade model
 - B) Solow model
 - C) Domar model
 - D) Joan Robinson model
- 09) In the Solow model, if capital is in steady state, then output...
- A) Will continue to grow
 - B) Is also in steady state
 - C) Will continue to grow at a diminishing rate
 - D) Will decline but its growth rate will be positive
- 10) Which of the following is not a determinant of growth in the Meade model?
- A) Existing stock of machines
 - B) Amount of natural resources
 - C) Rate of growth of manufacturing sector
 - D) Technological progress
- 11)

Select the correct answer using the codes given below :

- A) 1 and 2 only
B) 2 and 3 only
C) 1 and 3 only
D) 1, 2, and 3
- 13) Which of the following statements is correct in respect of trade creation?
A) Trade creation means preference to products of trading partner nations.
B) Trade creation means preference to international goods in comparison to domestic goods.
C) Trade creation is possible in goods but not in services.
D) Trade creation means preference to efficient source of supply.
- 14) If a good is imported into (large) country H from country F, then the imposition of a tariff in country H in the presence of the Metzler Paradox,
A) Raises the price of the good in both countries ("the "Law of One Price").
B) Raises the price in country H and cannot affect its price in country F.
C) Lowers the price of the good in both countries.
D) Lowers the price of the good in H and could raise it in F.
- 15) TRIPS (Trade-Related Aspects of Intellectual Property Rights) agreement is administered by:
A) World Bank (WB).
B) United Nations Organization (UNO)
C) World Trade Organization (WTO).
D) United Nations Conference on Trade and Development (UNCTAD)
- 16) Among the factors that affect the balance of trade figures are_____.
A) Exchange rates, taxes,tariffs and trade measures.
B) The business cycle at home or abroad
C) Trade barriers and agreements
D) Non tariff barriers.
- 17) Voluntary export restraint is_____.
A) Tariff barrier
B) Non-tariff barrier
C) Both tariff and non-tariff barrier.
D) Not a trade barrier.
- 18) The objectives of import duty is/are_____.
A) To raise income for the government.
B) To restrict imports.
C) To encourage exports.
D) To raise income and restrict imports.
- 19) UNCTAD is located in which of the following places.
A) Geneva
B) Rome
C) Paris.
D) Vienna.
- 20) NAFTA is an agreement between all of the following countries EXCEPT
A) United States.
B) Mexico.
C) Great Britain.
D) Canada
- 21) Which one of the following agencies of Indian Government implements the price support scheme (PSS)?
A) FCI
B) NAFED
C) Agriculture pricing agency of India
D) None of the above
- 22) Who recommends the MSP and issue prices?
A) Ministry of agriculture
B) Planning commission
C) Commission for Agricultural Costs and Prices
D) NABARD
- 23) Who among the following has suggested migration to accrual accounting system from cash based accounting system in India?
A) I.V. Reddy
B) D.N. Ghosh
C) R.H. Patil
D) C. Rangarajan

- 24) Which of the following is not a part of India's National Debt?
- National Savings Certificates
 - Dated Government Securities
 - Provident Funds
 - Life Insurance Policies
- 25) Second demonetization of currency notes in independent India took place during the tenure of as Minister of Finance, Govt.
- H.M. Patel
 - Morarji Desai
 - C.D. Deshmukh
 - Vishwanath Pratap Singh
- 26) India's first Long term Fiscal policy was adopted during the tenure of as Minister of Finance, Government of India.
- Dr. Manmohan Singh
 - Yashvant Sinha
 - Vishwanath Pratap Singh
 - Pranab Mukherji
- 27) Which Finance Commission has used forest cover as a criterion for horizontal distribution of resources in India?
- 10th Finance Commission
 - 12th Finance Commission
 - 13th Finance Commission
 - 14th Finance Commission
- 28) In which of the following years India switched over to decimal currencies?
- 1955
 - 1956
 - 1957
 - 1960
- 29) The one rupee note bears the signature of the
- Secretary, Ministry of Finance
 - Governor, RBI
 - Finance Minister
 - None of these
- 30) Which of the following does not grant any tax rebate?
- National Saving Certificate
 - Indira Vikas Patra
 - National Saving Scheme
 - Public Provident Fund
- 31) The head office of the National Bank for Agriculture and Rural Development (NABARD) located in
- Lucknow
 - Hyderabad
 - New Delhi
 - Mumbai
- 32) The Bank rate is the rate at which
- a bank lends to the public.
 - the RBI lends to the public.
 - the RBI gives credit to the commercial banks.
 - the Government of India lends to other countries.
- 33) The 'Mudra Bank' is a subsidiary of
- ICICI
 - RBI
 - IFCI
 - SIDBI
- 34) Which is not included in 8 core sectors in India?
- Coal
 - Fertilizer
 - Electricity
 - Chemical
- 35) Which is not included in manufacturing sector?
- Large Industry
 - Small Scale Industry
 - Micro Industry
 - Construction Industry
- 36) Economic liberalisation in India started with
- substantial changes in industrial licensing policy
 - the convertibility of Indian rupee
 - doing away with procedural formalities for foreign direct investment
 - significant reduction in tax rates
- 37) Which one of the following is not a feature of the Nehru-Mahalanobis model of development strategy?
- Development of capital goods industries
 - Major involvement of the State in the economy
 - Industrial deregulation and disinvestment in the public sector
 - Enhancing the scope and importance of the public sector

- 38) Which of the following authority Sanctions foreign exchange for import of goods?
 A) Any National Bank
 B) Exchange Bank
 C) Reserve Bank of India
 D) Ministry of Finance
- 39) The policy of Special Economic Zone (SEZ) in India was implemented with effect from
 A) Nov. 1998
 B) Dec. 1999
 C) Nov. 2000
 D) Feb. 2002
- 40) India's first port-based Special Economic Zone named International Container Trans-shipment Terminal (ICTI) is being set-up at?
 A) Kandla
 B) Kochi
 C) Goa
 D) Tuticorin
- 41) According to Peacock and Wiseman's analysis, public expenditure increases
 A) in smooth and continuous manner.
 B) as time passes
 C) in jerks or step like fashion.
 D) both in the short and long runs
- 42) Fiscal deficit less interest payments is called _____.
 A) Net fiscal deficit.
 B) Monetised deficit
 C) Primary deficit.
 D) Budgetary deficit
- 43) Mercantilism was based on the ideology of
 A) Globalization.
 B) Nationalism.
 C) Regionalism.
 D) Privatization and Globalisation.
- 44) Match the items of List – I and with items of List – II from the given codes:

List – I	List – II
I. Adam Smith	1. Opportunity cost
II. David Ricardo	2. Factor endowment
III. Ohlin	3. Absolute advantage
IV. Haberler	4. Comparative advantage

Choose the correct code: Codes: I II III IV

- A) 3 4 2 1.
 B) 4 2 1 3.
 C) 2 3 4 1.
 D) 1 2 3 4

- 45) The Service Area Approach was implemented under the purview of
 A) Lead Bank Scheme
 B) Integrated Rural Development Programme
 C) Training the Rural Youth for Self-employment
 D) Mahatma Gandhi National Rural Employment Guarantee Scheme
- 46) High Yielding Varieties Programme in India does not include
 A) Wheat.
 B) Pulses.
 C) Jowar.
 D) Maize
- 47) Coefficient of determination is given as
 A) $r/1 - r^2$
 B) $1 - r^2$
 C) $1 + r^2$
 D) r^2
- 48) For testing the equality of population variances the test to be applied is
 A) Student's t test.
 B) F test.
 C) F distribution.
 D) Z distribution
- 49) Which of the following is the most significant in stabilization policy?
 A) Private investment.
 B) Inventory investment
 C) Autonomous investment.
 D) Public investment
- 50) The concept of vicious circle of poverty is associated with
 A) Kindleberger.
 B) Schumpeter
 C) Ragnar Frish.
 D) Gunnar Myrdal

Rough Work: