

Select the correct answer using the code given below:

- (a) 1 only
- (b) 1 and 3 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

43. An ad-valorem duty is a tax on the basis of :

- (a) advertisement expenditure.
- (b) value of a commodity.
- (c) unit of the commodity.
- (d) the value added.

44. With reference to the NITI Aayog, consider the following statements:

- 1. It is established with the aim to achieve Sustainable Development Goals and to enhance cooperative federalism .
- 2. Its Governing Council is composed of Chief Ministers and governors of all the States.
- 3. The Prime Minister acts as the Ex-officio chairman and the Finance Minister as the vice chairman of NITI Aayog.

Which of the above statement is/are incorrect?

- (a) 3 only
- (b) 2 and 3 only
- (c) 1, 2 and 3
- (d) None

45. A Giffen good:

- (a) is a good on which people spend a small portion of their income.
- (b) is a good that people buy more as their incomes fall.
- (c) has a vertical demand curve.
- (d) is a good which people buy more as its price increases.

46. Money supply could be increased when

- (a) Central Bank sells government securities.
- (b) Commercial Banks increase the amount deposited with central bank.
- (c) Central Bank purchases government securities.
- (d) Cash Reserve Ratio of banks is increased.

47. Which of the following actors participate in the Foreign Exchange market?

- 1. Central Bank
- 2. Government
- 3. Commercial Organization.

Select the correct answer using the code given below:

- (a) 1 and 2 only
- (b) 1 and 3 only
- (c) 2 and 3 only
- (d) 1, 2 and 3

48. The Philips Curve shows the relationship between inflation and?

- (a) the rate of Unemployment.
- (b) The Balance of Trade.
- (c) The rate of growth in an economy.
- (d) The rate of prices increase in.

49. Consider the following statements:

- 1. Direct subsidies are given in terms of cash grants, low-interest loans and tax breaks.
- 2. Indirect subsidies are provided in terms of insurance, depreciation, write-offs and rent rebates.

Which of the above statements is/are incorrect?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

50. Cost-push inflation is caused by:

- (a) abolition of resale price maintenance.
- (b) an increase in propensity to save.
- (c) scarcity of basic raw materials.
- (d) increase in investment.