



# CAPF AC PYQ

(SUBJECT WISE)

**SUBJECT : ECONOMICS**

**YEAR : 2023**

**FOLLOW US**

Telegram Link :- <https://t.me/krishnakumar>

YouTube Link :- <https://www.youtube.com/@krishnasahu148>

Website Link :- <https://pathtoias.com/>



path to success

**CENTRAL ARMED POLICE FORCES (Ac)**

25. The focus of the Second Five Year Plan was :

- (a) establishment of a self-reliant and self-generating economy with emphasis on agriculture.
- (b) rapid industrialization with emphasis on the development of basic and heavy industries.
- (c) removal of poverty and attainment of self-reliance.
- (d) acceleration of food-grain production and increase in employment opportunities and overall productivity.

26. An Indian businessperson buys shares in a British car company. This transaction will be reflected in :

- (a) Balance of Trade, but not in Balance of Payments.
- (b) Balance of Payments, but not in Balance of Trade.
- (c) both Balance of Payments and Balance of Trade.
- (d) neither Balance of Payments nor Balance of Trade.

27. Which of the following are High Frequency Indicators of the Indian economy ?

1. Power Consumption
2. IIP General Index
3. 10-year G-sec yield

Select the correct answer using the code below.

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



28. Suppose an Indian citizen makes an investment abroad and earns a positive return on her investment. Which of the following is correct ?

- (a) Her income is part of India's GDP, but not part of India's national income.
- (b) Her income is part of India's national income, but not part of India's GDP.
- (c) Her income is part of both India's GDP and national income.
- (d) Her income is neither part of India's GDP, nor its national income.

29. If the Cash Reserve Ratio is lowered by the RBI, supply of money in the economy will :

- (a) remain unchanged.
- (b) decrease.
- (c) increase.
- (d) have ambiguous impact.



65. Fiscal deficit in the Union Budget means :

- (a) the difference between current expenditure and current revenue.
- (b) net increase in the borrowings of the Union Government from the Reserve Bank of India.
- (c) the sum of budgetary deficits and the net increase in internal and external borrowings.
- (d) None of the above

66. Which one of the following is the largest component of revenue expenditure in the Union Budget 2022 – 23 ?

- (a) Interest payments
- (b) Defense expenditure
- (c) Expenditure on healthcare
- (d) Subsidies

**67.** Adequacy of foreign exchange reserves of a country is captured by which of the following indicators ?

1. Reserves to import ratio
2. Reserves to external debt ratio
3. Reserves to GDP ratio
4. Reserves to monetary aggregates

Select the correct answer using the code below :

- (a) 1 and 3 only
- (b) 1, 2, 3 and 4
- (c) 2, 3 and 4 only
- (d) 1, 2 and 4 only

**68.** If all the people of the economy increase the proportion of income they save, the total value of savings in the economy will either decrease or remain unchanged. This phenomenon is known as :

- (a) Crowding out
- (b) Crowding in
- (c) Paradox of thrift
- (d) Paradox of prosperity

**69.** The banks are required to maintain a certain ratio between their cash in hand and total assets. This ratio is known as :

- (a) Cash Reserve Ratio (CRR)
- (b) Statutory Liquidity Ratio (SLR)
- (c) Central Bank Reserve (CBR)
- (d) Statutory Bank Ratio (SBR)