

# NATIONAL INCOME ACCOUNTING

## STUDY-NOTES

- **Macroeconomics:** Macroeconomics is a branch of economics that studies how an overall economy—the market or other systems that operate on a large scale—behaves. It studies economy-wide phenomena such as inflation, price levels, rate of economic growth, national income, gross domestic product (GDP), changes in unemployment etc.
- **National income** refers to the net money value of all the final goods and services produced by the normal residents of a country during an accounting year.
- **Domestic income** refers to a total factor income earned by the factor of production within the domestic territory of a country during an accounting year.
- **Consumption goods** are items that are utilized directly to satisfy human demands. They support the core goal of an economy, which is to sustain the consumption of the economy's entire population.
- **Capital goods** are goods used by one business to assist another in the production of consumer goods.
- **Final goods** are commodities produced by a corporation for subsequent consumption by the consumer.
- **Intermediate goods** are utilised in the production of finished goods or consumer goods.
- **Investment** is an asset or object purchased with the intention of earning income or increase in value.
- **Gross investment** a company's capital investment before depreciation is referred to as its gross investment or gross capital investment.
- **Net investment** is defined as gross investment minus depreciation on existing capital. Net investment, in a nutshell, is the increase in productive stock.

Net investment = Gross investment – Depreciation

- **Depreciation**, in economic terms, is a way of dividing the cost of a tangible or physical asset over its usable life or life expectancy. Depreciation is a measurement of how much of the value of an asset has been diminished
- **Capital formation** is gradually increasing the stock of capital over time.
- **Factor cost:** These are the earnings obtained by the owners of factors of production in exchange for providing factor services to the producer.
- The **basic price** is the amount a producer receives from a purchaser for a unit of a thing or service provided as output, less any tax due and any subsidy due on that unit as a result of its production or sale.  
Basic price = Factor cost + Production taxes – Production subsidy
- The **market price** of a commodity is the price at which it is sold on the open market. It comprises the costs of production such as wages, rent, interest, input prices, profit, along with the value of taxes and subsidies.
- **Transfer payment** refers to payment received without the provision of any service or goods in exchange.
- **Stock variable** is a variable that is measured at a certain point in time.
- **Flow variable** is a quantity that is measured over a specific time frame.
- **Leakage** is an economic term that characterises capital or money that escapes an economy or system.
- **Injectionmenes:** When funds are added to an economy from sources other than people and enterprises.
- The **Consumer Price Index (CPI)** reflects variations in the overall level of prices of products and services that a reference population obtains, consumes, or pays for consumption across time.

- **Wholesale Price Index (WPI)** is an indicator that monitors and tracks changes in the price of products before they reach the retail level.
- **Circular flow of income** is the continual flow of commodities and services, revenue, and expenditure in an economy is referred to as the circular flow.
- **Economic territory** encompasses not just land but also national air space, territorial waters, and natural oil and gas resources in international waters.
- **Normal residents of a country** is person or entity that regularly dwells in a country and has its center of economic interest in that country is referred to as a normal resident of that country.
- **Gross Domestic Product at Market Price (GDP<sub>MP</sub>)**: It is the market value of all final products and services generated by all manufacturing units located on a country's domestic territory within an accounting year.
- **Gross Domestic Product at Factor Cost (GDP<sub>FC</sub>)**: It is the total worth of all final goods and services produced within a country's domestic territory excluding net indirect taxation.
- **Net Domestic Product at Market Price (NDP<sub>MP</sub>)**: It is the depreciation-free market value of final goods and services produced in the country's domestic area within a year.
- **Net Domestic Product at Factor Cost (NDP<sub>FC</sub>)/ Domestic Income**: It is the factor income received by owners of factors of production for providing factor services in domestic territory throughout a fiscal year.
- **Net National Product at Factor Cost or National Income (NNP<sub>FC</sub>)/National Income**: It is the aggregate of all factor earnings earned by ordinary people of a country in the form of wages, rent, interest, and profit during an accounting year.
- **Gross National Product at Market Price (GNP<sub>MP</sub>)**: It is the market value of all finished goods and services generated by a country's normal citizens (both domestically and overseas) throughout an accounting year.
- **Net National Product at Market Price (NNP<sub>MP</sub>)**: It is the sum of the factor incomes earned by normal citizens of a country throughout an accounting year, including net indirect taxes.
- **Gross National Product at Factor Cost (GNP<sub>FC</sub>)**: It is the sum of a country's normal people's factor earnings over the course of an accounting year, plus depreciation.
- **National income at current prices**: When products and services generated by ordinary inhabitants within and outside of a country in a year are evaluated at the current year's values, i.e., current prices, this is referred to as national income at current prices.
- **National Income at Constant Prices**: It refers to the worth of products and services produced by ordinary inhabitants within and outside of a country in a given year at a constant price, i.e., the base year's price.
- **Gross Value added at Market Price**: Production and product taxes are included in GVA at market prices, whereas production and product subsidies are excluded.  
GVA at market price = GDP at market prices
- **GVA at basic prices**: GVA at basic prices does not include product subsidies but does incorporate production taxes.  
GVA at basic prices = GVA<sub>MP</sub> - Net Production Taxes
- **GVA at factor cost**: GVA at factor cost does not contain any taxes or subsidies.  
GVA at factor cost = GVA at basic prices - Net Production Taxes
- **GDP and Welfare**: It is a measure of the economic value of all final goods and services produced within a specific time period, which is typically annually or quarterly.
- GDP is classified into two categories:
  - Real GDP
  - Nominal GDP
- **GDP deflator**: The nominal-to-real GDP ratio is a well-known price index. This is known as the GDP deflator.

• **Methods of calculating national income**

(a) **Product method/value added method:** It refers to a firm's production activities that add value to raw materials (intermediate goods). Alternatively, value added is defined as an enterprise's contribution to the present flow of products and services. To put it another way, the term "value added" is used to describe a company's net contribution. As a result,

Value added of a firm = Value of Output – Value of intermediate goods used by the firm.

(b) **Expenditure method:** It is believed that the value of domestic income is equal to the total sum of expenditures on the purchase of final products and services produced throughout an accounting year within an economy.

$$GDP_{MP} = C + I + G + (X - M)$$

Where,

C = Consumer spending on different goods and services,

I = Investments made by businesses, and on capital goods,

G = Government's spending on goods and services provided to the public,

X = Exports, and

M = Imports.

(c) **Income method:** National Income ( $NNP_{FC}$ ) = Net Domestic Product at Factor Cost ( $NDP_{FC}$ ) + Net Factor income from broad

$$NDP_{FC} = \text{Compensation of employees} + \text{Rent \& Royalty} + \text{Interest} + \text{Profit} + \text{Mixed Income}$$

• **Problem of double counting** while computing national income, the problem of double counting arises. The national income estimates become muddled when double accounting occurs in the calculation of national income.

• **Private income:** Private income is the estimated income of all factors and transfers to the private sector, both within and outside the country.

Private Income = Factor income from net domestic product accruing to the private sector + National debt interest + Net factor income from abroad + Current transfers from government + Other net transfers from the rest of the world.

• **Personal income:** The term "personal income" refers to the sum of money received by all people or households in a certain country. Personal income comprises remuneration from a variety of sources, such as salaries, wages, and so on.

• **Personal disposable income:** Disposable income, also known as personal disposable income, is the amount of money available for household consumption, savings, and spending after deducting income taxes.

## QUESTION BANK

### MULTIPLE CHOICE QUESTIONS

- GDP Deflator is:
  - Ratio of nominal GDP and real GDP
  - Difference of nominal GDP and real GDP
  - Sum of nominal GDP and real GDP
  - Ratio of nominal GDP and real GDP multiply by 100
- Inventory is a \_\_\_\_\_ concept whereas the change in inventory is a \_\_\_\_\_ concept.
  - Stock, flow
  - Flow, stock
  - Stock, stock
  - None of these
- Net domestic fixed capital formation + change in stock = \_\_\_\_\_.
  - Net national fixed capital formation
  - Gross domestic capital formation
  - Net domestic capital formation
  - None of these
- Which of the following is a flow concept?
  - Increase in population
  - National income
  - Exports
  - All of these



5. Which of the following is an intermediate expenditure?
  - (a) Expenditure on purchase of furniture by a firm for its own use
  - (b) Expenditure on maintenance by a firm
  - (c) Expenditure on purchase of tractor by a firm for its own use
  - (d) Refrigerator bought by a household
6. Depreciation is also known as:
  - (a) Capital loss
  - (b) Unforeseen obsolescence
  - (c) Capital allowance
  - (d) None of these
7. The sum of rent, interest and profit is:
  - (a) Net profit
  - (b) Net cost
  - (c) Operating surplus
  - (d) Corporate tax
8. Gross domestic product can be greater than gross national product when \_\_\_\_\_
  - (a) Factor income paid to abroad is greater than factor income received from abroad, i.e. when net factor income from abroad is negative.
  - (b) Factor income paid to abroad is less than factor income received from abroad, i.e. when net factor income from abroad is negative.
  - (c) Factor income paid to abroad is greater than factor income received from abroad, i.e. when net factor income from abroad is positive.
  - (d) None of these
9. Construction of a school building by the government will be a part of:
  - (a) Domestic fixed capital formation
  - (b) Change in stock
  - (c) National income
  - (d) Government final consumption expenditure
10. Which of the following is included in national income?
  - (a) Income tax
  - (b) Bonus
  - (c) Corporation tax
  - (d) All of these
11. Addition made to the physical stock of capital during a period of time is called investment. It is also called:
  - (a) Capital formation
  - (b) Capital profit
  - (c) Capital loss
  - (d) None of these
12. These goods are final goods which help in production. These goods are used for generating income. These goods are fixed assets of the producers, e.g., plant and machinery:
  - (a) Intermediate goods
  - (b) Capital goods
  - (c) Raw material
  - (d) All of these
13. This is an addition made to the real stock of capital during a period of time. It excludes depreciation.
  - (a) gross investment
  - (b) net investment
  - (c) Investment
  - (d) None of these
14. It refers to continuous flow of goods and services and money income among different sectors in the economy. It is circular in nature. It has neither any end nor any beginning point. It helps to know the functioning of the economy.
  - (a) Circular flow of income
  - (b) Fluctuated flow of income
  - (c) Normal flow of income
  - (d) All of these
15. Diplomats and officials of foreign embassies are:
  - (a) Normal resident of a country
  - (b) Not normal resident of a country
  - (c) NRI
  - (d) Citizen
16. It is the money value of all the final goods and services produced within the domestic territory of a country during an accounting year.
  - (a) Gross domestic product
  - (b) National domestic product at market price
  - (c) Gross domestic product at factor cost
  - (d) National income
17. It is the measure of the Market value of all final goods and services produced by factors of production located within the boundaries of a country, during a specified period of time.
  - (a) Gross domestic product at market price
  - (b) National domestic product at market price
  - (c) Gross domestic product at factor cost
  - (d) National income

18. Value of output is the market value of all goods and services produced by an enterprise during an accounting year.  
 (a) An accounting year (b) Commercial year (c) Financial year (d) None of these
19. It leads to over-estimation of national income. It is counting the value of a commodity more than once while estimating national income is called:  
 (a) Over valuation (b) Over estimation (c) Double counting (d) None of these
20. Net Factor Income from Abroad (NFIA) is the difference between factor income received/earned by normal residents of a country and factor income \_\_\_\_\_  
 (a) Received from non-residents of the country (b) Paid to non-residents of the country  
 (c) At market price (d) None of these
21. The concepts of inflation, price levels, rate of economic growth, national income, gross domestic product (GDP), and changes in unemployment are used in:  
 (a) Macroeconomics (b) Microeconomics (c) National income (d) Domestic income
22. It is the amount of money which is added to the circular flow of income. For example, Government expenditure, investment and exports.  
 (a) Leakages (b) Injection (c) Additional income (d) None of these
23. It is the amount of money which is withdrawn from the circular flow of income. For example, taxes, savings and import.  
 (a) Leakages (b) Injection (c) Additional income (d) None of these
24. National income is:  
 (a) Net national product at factor cost (b) Net national product at market price  
 (c) Total income (d) Money income
25. This price is the amount a producer receives from a purchaser for a unit of a thing or service provided as output, less any tax due and any subsidy due on that unit as a result of its production or sale. This price = Factor cost + Production taxes – Production subsidy.  
 (a) Basic price (b) Sales price (c) Total price (d) Nominal price
26. TV, radio, washing machines etc are examples of:  
 (a) Durable consumer goods (b) Semi-durable consumer goods  
 (c) Non durable consumer goods (d) Intermediate goods
27. Consumption of all goods and services in the economy during the period of an accounting year:  
 (a) Aggregate demand (b) Aggregate supply (c) Aggregate consumption (d) None of these
28. Factor services rendered by the households to the firm leads to:  
 (a) Real flow (b) Money flow (c) Services flow (d) Circular flow
29. Classification of Goods depends upon:  
 (a) Consumption of Goods (b) End Use of the Goods  
 (c) First Use of the Goods (d) Production of the Goods
30. A car is purchased by Travel Agency, it will be regarded as a:  
 (a) Capital Goods (b) Intermediate Goods (c) Final Goods (d) Both (a) and (c)
31. In the production of sweets, sugar will be:  
 (a) A final good (b) An intermediate good (c) A capital Good (d) A Consumer Good
32. Microwave used by the households in their kitchen will be classified as:  
 (a) Capital Goods (b) Intermediate Goods (c) Consumer Goods (d) None of these
33. Those goods which directly satisfy the human wants are known as:  
 (a) Consumer Goods (b) Producer Goods (c) Intermediate Goods (d) Satisfactory Goods
34. Which of the following is a Semi-Durable Consumer Goods?  
 (a) Radio (b) Milk (c) Sugar (d) Clothes

35. Final Goods are used by:  
 (a) Consumers (b) Producers (c) Government. (d) All of these
36. Which of the following leads to Depreciation?  
 (a) Normal wear and tear (b) Damages due to earthquakes  
 (c) Damages due to accident (d) None of these
37. Which of the following leads to unexpected obsolescence?  
 (a) Natural calamities (b) Change in demand  
 (c) Change in technology (d) Both (b) and (c)
38. Net Investment is equal to:  
 (a) Gross investment + depreciation (b) Gross investment – depreciation  
 (c) Gross investment × depreciation (d) Gross investment/divided by depreciation
39. Income of the family is an example of which variable:  
 (a) Stock variable (b) Flow variable (c) Inventory (d) None of these
40. Reason for the circular flow of income is:  
 (a) Government Intervention  
 (b) Production of goods and services  
 (c) Mutual interdependence of producer and household sector  
 (d) Intervention of public
41. National Income is estimated as:  
 (a) NDP at FC (b) NNP at MP (c) NDP at MP (d) NNP at FC
42. Which one includes depreciation?  
 (a) GNP at market price (b) National income (c) Net domestic income (d) NNP at market price
43. Compensation of employees stands for:  
 (a) Work income (b) Transfer income (c) Entrepreneurship income (d) Income from land
44. GDP at MP includes:  
 (a) NFIFA (b) Consumption of fixed capital  
 (c) Payment of direct taxes (d) Value of imports
45. Financial help to a Corona Warrior's Family in the event of his death would be:  
 (a) Transfer Payment (b) Factor Payments  
 (c) Net Factor Income to Abroad (d) None of these
46. The difference between National Income and Domestic Income is that of:  
 (a) Net Indirect Taxes (b) Net Factor Income from Abroad  
 (c) Both (a) and (b) (d) None of these
47. GVA at MP provides solutions to:  
 (a) The problems of double counting (b) The problem of double coincidence of wants  
 (c) Undervaluation of national income (d) Unequal distribution of wealth
48. National Income refers to:  
 (a) Factor Incomes only  
 (b) Income of only Normal Residents of the country  
 (c) The sum total of domestic income and net factor income from abroad  
 (d) All of these
49. Why is GDP considered as inappropriate index of social welfare?  
 (a) Non-Monetary Transactions (b) Negative Externalities  
 (c) Production of socially unwanted Goods (d) All of these



50. Income method of calculating national income is also known:
- (a) Industrial origin method (b) Distributed share method  
(c) Income disposal method (d) Industrial method
51. Real National Income means:
- (a) National Income at Current Prices (b) National Income at Constant Prices  
(c) National Income at Market Prices (d) National Income at an average price of past 5 years
52. Which of the following would be the normal resident of India?
- (a) An American working in an American embassy in India  
(b) An Indian working in Singapore branch of an Indian bank  
(c) A team of German engineers in Jaisalmer on official job for six months  
(d) Five Afghan students pursuing law in India for the last four years
53. Remittances from a relative working abroad are:
- (a) Included in National Income (b) Not Included in National Income  
(c) Transfer Payments (d) Both (b) and (c)
54. Which of the following is not included while calculating National Income by Income Method?
- (a) Rent (b) Mixed Income (c) Undistributed Profits (d) Exports
55. Circular flow of income is based on the fact that:
- (a) All sectors are self sufficient and independent  
(b) Income generated in one sector is consumed by itself  
(c) One person's expenditure is another person's income  
(d) All economies are closed economies
56. Which of the following is termed as Gross Domestic Product at factor cost:
- (a) It is the market value of all the final goods and services produced within domestic territory of a country.  
(b) It is the market value of all the final goods and services produced nationally.  
(c) It is the market value of all the final goods and services produced within domestic territory of a country less net indirect taxes.  
(d) It is the market value of all the final goods and services produced nationally less indirect taxes.
57. Which of the following is used for calculating National Income by income method?
- (a) Income Tax (b) Corporation Tax (c) Sales Tax (d) Net Indirect Tax
58. Which of the following is an example of factor income?
- (a) Interest received by bank from producer (b) Retirement pension  
(c) Old age pension (d) Interest received by bank from household
59. Which of the following is a flow aggregate?
- (a) Distance between Delhi and Mumbai (b) A note of ₹2000  
(c) Bank account (d) Number of houses in Jaipur on 31st December
60. Construction of a School building by the Government will be part of
- (a) Domestic fixed Capital formation (b) Change in stock  
(c) Government final consumption expenditure (d) Residential construction investment
61. Identifying the final good from the following which would be included in National Income:-
- (a) Air Conditioner purchased by a household. (b) Car purchase for further sale  
(c) Electricity bill paid by School (d) Gram flour purchased by Sweet Mart
62. If Net factor income to abroad is (-) ₹120 crores, factor income from abroad is ₹150 crores and domestic income is ₹4500 crores, find National Income.
- (a) ₹4380 crores (b) ₹4620 crores (c) ₹4770 crores (d) ₹4300 crores

63. If GDP at MP is ₹10,000 crores, Intermediate consumption is ₹2500 and the ratio of Sales to change in stock is 2:1, then sales will be:  
 (a) ₹4000 (b) ₹5000 (c) ₹3000 (d) ₹2000
64. GNP at FC is equal to NNP at FC when  
 (a) Consumption of fixed capital is zero. (b) Net indirect tax is zero.  
 (c) Net factor income from abroad is zero. (d) Intermediate consumption is zero.
65. Real income means:  
 (a) National Income at current prices (b) National Income at constant prices  
 (c) National Income at average prices of 5 years (d) National Income at factor prices
66. If the national income is ₹2800 crores and domestic income is ₹3000 crores, which of the following option will be correct?  
 (a) Factor income from abroad ₹500 and factor income to abroad is ₹200.  
 (b) Factor income from abroad ₹400 and factor income to abroad is ₹600.  
 (c) Factor income from abroad ₹600 and factor income to abroad is ₹400.  
 (d) Factor income from abroad ₹700 and factor income to abroad is ₹700.
67. GDP deflator equals to  
 (a)  $\text{Nominal GDP} \times 100 / \text{Real GDP}$  (b)  $\text{Real GDP} \times 100 / \text{Nominal GDP}$   
 (c)  $\text{Real GDP} \times 100$  (d)  $\text{Nominal GDP} \times 100$
68. Value of output is obtained by:  
 (a) The sum of domestic sales and closing stock  
 (b) The sum of total sales and change in stock  
 (c) The sum of Export sales and closing stock  
 (d) The Difference of Total sales and change in stock
69. Wealth is considered as Flow Variable.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
70. Paper used by Publisher in Book Printing is considered as Intermediate Goods.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
71. All Consumer Goods are Final Goods.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
72. Fixed Investment refers to the increase in stock of Fixed Assets or Capital Goods.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
73. National income is sum of all the transfer income generated in an economy.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
74. NDP at FC is equal to NDP at MP less net indirect tax.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
75. NDP at MP is the sum up of operating surplus, compensation of employees, mixed income and Net Indirect Tax.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say



76. Salary received by an Indian Employee working in Pakistani Embassy in Sri Lanka. It is included in calculation of National Income of Pakistan.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
77. Salary of an Indian working in Russian embassy in India is included in National Income of India as Factor income from abroad.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
78. Indian Student studying in USA for past five years. He will be considered as Non Resident of India.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
79. Old age pension is factor income.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
80. If the Real GDP is ₹520; Nominal GDP is ₹650, Then, Price Index (taking 100 as base) would be 125.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
81. Dividend Received by Indian Banking Company from his Investments in the rest of the world. It is included in calculation of Domestic Income of India.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
82. If NDP at FC = 80, NIT = 10, Net factor income from abroad (-10), NNP at MP is equal to ₹70.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
83. Brokerage on the sale and purchase of shares and bonds is to be included in national income.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
84. If Nominal GNP is ₹1200 and Real GNP is 400, then GNP deflator will be ₹200.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
85. In a soap factory 5000 soap cakes @ 10 per unit of soaps remain unsold at the end of financial year, if stock was zero at the beginning of the year. In this situation inventory investment will be ₹50000.  
 (a) True (b) False  
 (c) Depends upon various conditions (d) Can't say
86. It depends on many economic factors like national income, consumption level, quality of goods etc and non-economic factors like environmental pollution, law and order, etc., the welfare which depends on economic factors is called:  
 (a) Welfare (b) Economic welfare (c) Social welfare (d) None of these
87. If in an economy investment is greater than saving, national income of the economy:  
 (a) Increases (b) Decreases (c) Remains constant (d) None of these
88. What happens to the level of national income, when aggregate supply falls short of aggregate demand?  
 (a) Increases (b) Decreases (c) Constant (d) None of these
89. What happens to the level of national income, when aggregate supply exceeds aggregate demand?  
 (a) Increases (b) Decreases (c) Remains constant (d) None of these

90. Which one of the following is included in 'Stock'?
- (a) Quantity of money (b) Wealth  
(c) Quantity of wheat stored in a warehouse (d) All the these
91. Which of the following is included in real flow?
- (a) Flow of goods (b) Flow of services (c) Both (a) and (b) (d) None of these
92. The primary sector includes:
- (a) Agriculture (b) Retail trading (c) Small industries (d) All the these
93. Which one of the following is true?
- (a)  $GNP = GDP + \text{Depreciation}$  (b)  $NNP = GNP + \text{Depreciation}$   
(c)  $NNP = GNP - \text{Depreciation}$  (d)  $GNP = NNP - \text{Depreciation}$
94. Which one of the following is included in National Income?
- (a) Transfer earnings (b) Sale proceeds of shares and bonds  
(c) Black money (d) None of these
95. Macroeconomics is the study of:
- (a) Principle or theories of national income (b) Consumer's theory  
(c) Production theory (d) None of these
96. Nominal GDP is the value of GDP at:
- (a) Current prices (b) Constant prices (c) Market price (d) None of these
97. Pigou has divided welfare into:
- (a) Three parts (b) Two parts (c) Many parts (d) None of these
98. National income committee was established in the year:
- (a) 1947 (b) 1948 (c) 1949 (d) None of these
99. Gross domestic product at market price is:
- (a)  $GDPFC - NIT - \text{Subsidies}$  (b)  $GDPFC + NIT + \text{Subsidies}$   
(c)  $GDPFC + NIT - \text{Subsidies}$  (d) None of these
100. GNP at current prices is:
- (a) Nominal GNP (b) Real GNP (c) Actual GDP (d) None of these
101. National income differs from net national product at market price by the amount of:
- (a) National debt interest (b) Net indirect taxes  
(c) No difference (d) Current transfer from the rest of the world
102. Which one of the following is not correct?
- (a)  $NNPMP = GNPMP - \text{Depreciation}$  (b)  $NNPMP = GNPMP + \text{Depreciation}$   
(c)  $NNPFC = GNPFC - \text{Depreciation}$  (d) None of these
103. Domestic product is equal to:
- (a) National product + net factor income from abroad (b) National product - net factor income from abroad  
(c) National product  $\times$  net factor income from abroad (d) National product / net factor income from abroad
104. Which one of the following is correct?
- (a) Personal income = private income - corporate tax - corporate saving  
(b) Personal income = private income + corporate tax + corporate saving  
(c) Private income = personal income + corporate tax + corporate saving  
(d) None of these
105. Which of these is a limitation in the measurement of social welfare using GDP at constant prices as an index?
- (a) Composition of production (b) Change in working conditions  
(c) Increase in population size (d) All of these

106. Real income means:  
 (a) National income of this month (b) National income at factor cost  
 (c) National income at constant prices (d) None of these
107. Comparisons of GDP levels across countries are most accurate when:  
 (a) Prices for non-market activities are the same across countries  
 (b) Prices and the value of non-market activities are the same across countries  
 (c) Prices are same across countries  
 (d) None of these
108. Which of the following is an example of an intermediate product?  
 (a) An antique product sold to highest bidder  
 (b) The wood supplied to furniture company  
 (c) Paper supplied to schools  
 (d) None of these
109. Which of the following would not be counted as a final good for inclusion in GDP?  
 (a) A piece of glass bought by a consumer to fix a broken window of car  
 (b) A sheet of glass purchased by a school to repair windows  
 (c) A sheet of glass purchased by a commercial builder of a new home  
 (d) None of these
110. Other things held constant, private disposable income would increase if:  
 (a) Consumption increase (b) Government transfer payments increase  
 (c) Taxes increase (d) None of these
111. Corporate tax is not a part of:  
 (a) Personal income (b) National income (c) Domestic income (d) Private income
112. Which of the following is not an element of final consumption expenditure?  
 (a) Household expenditure on clothing (b) Government final consumption expenditure  
 (c) Household expenditure on education (d) Expenditure of raw material
113. Due to the setting up of factories near residential areas GDP increases but \_\_\_\_\_ decreases.  
 (a) Welfare (b) Income (c) Expenses (d) None of these
114. Mohan and Rohan just bought their new houses. In the national income accounting, this transaction is considered as:  
 (a) Consumption of fixed assets (b) Consumption of current assets  
 (c) Inventory investment (d) Fixed investment
115. If an agent buys a house of 2 lakhs and sells it for 2.5 lakhs, then how much has been added to GDP?  
 (a) Nothing (b) 2.5 lakhs (c) 2 lakhs (d) 50 thousand
116. Which one of the following is best suited as an example of a normal resident of India?  
 (a) US national working in WHO office at New Delhi  
 (b) Ambassador of Australia to India  
 (c) A Chinese working in IMF office at Mumbai  
 (d) Indian representative of UN
117. Which of the following is a negative externality caused to you, if you have a public park next to your house?  
 (a) Availability of fresh air (b) A place to walk  
 (c) More people poking in your house (d) A safe environment
118. In an economy wages and salaries is ₹1200 crore and Social Security Contribution by employers ₹250 crore, compensation of employees is:  
 (a) ₹250 crore (b) ₹1200 crore (c) ₹1450 crore (d) ₹950 crore



119. Net domestic product at factor cost is the sum total of:  
 (a) Compensation of employees and mixed income (b) Rent and interest  
 (c) Profit (d) All of these
120. In an economy, compensation of employees is ₹1100 crore, mixed income is nil, net domestic product at factor cost is ₹2050 crore, rent and royalty is ₹250 crore, interest is ₹300 crore, profit is:  
 (a) ₹1400 crore (b) ₹2400 crore (c) ₹400 crore (d) None of these
121. In an economy: (₹ in crores)
- |                               |        |
|-------------------------------|--------|
| (i) Output sold (in units)    | 1,000  |
| (ii) Price per unit of output | 30     |
| (iii) Depreciation            | 1,000  |
| (iv) Intermediate cost        | 12,000 |
| (v) Closing stock             | 3,000  |
| (vi) Opening stock            | 2,000  |
| (vii) Excise                  | 2,500  |
| (viii) Sales tax              | 3,500  |
- Gross value added at factor cost is :  
 (a) ₹3,000 (b) ₹13,000 (c) ₹23,000 (d) ₹33,000
122. In an economy:
- |                                  |        |
|----------------------------------|--------|
| (i) Consumption of fixed capital | 600    |
| (ii) Import duty                 | 400    |
| (iii) Output sold (in units)     | 2000   |
| (iv) Price per unit of output    | 10     |
| (v) Net change in stock          | (-) 50 |
| (vi) Intermediate cost           | 10,000 |
| (vii) Subsidy                    | 500    |
- Net value added at factor cost is:  
 (a) ₹9450 (b) ₹8450 (c) ₹7450 (d) None of these
123. Which of the following will be included in national income?  
 (a) Family members working free on the farm owned by the family  
 (b) Payment of interest on borrowings by the general government  
 (c) Payment of income tax by a firm  
 (d) Festival gifts to employees by a company.
124. Which of the following will be included in national income?  
 (a) Remittances from non-resident Indian to their families in India  
 (b) Rent paid by the embassy of Japan in India to a resident Indian  
 (c) Profit earned by branches of foreign banks in India  
 (d) Payment of salaries to its staff by the embassy located in India.
125. In an economy, national income is ₹3000 crore, current transfer from government is ₹60 crore, savings of non-departmental government sector is ₹40 crore, income from property and entrepreneurship to government is ₹150 crore, current transfers from rest of the world is ₹50 crore. Then private income is:  
 (a) ₹2810 crores (b) ₹1810 crores (c) ₹2920 crores (d) None of these
126. In an economy, Sales + Increase in the stock – Purchase of raw materials – Purchase of fuel and power – Consumption of fixed capital – Net indirect tax, is:  
 (a) Gross Value Added at factor cost (b) Net Value Added at factor cost  
 (c) Gross Domestic product at factor cost (d) None of these

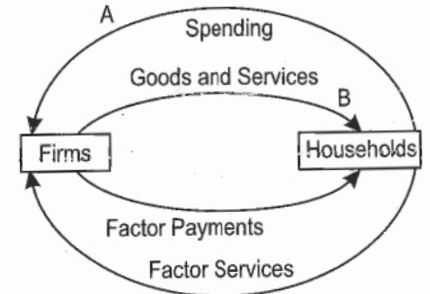
127. Keynes' theory says that:

- (a) government should increase demand to boost growth.
- (b) consumer demand is the primary driving force in an economy.
- (c) expansionary fiscal policy.
- (d) All of these



128. On the basis of given circular flow of income, which of following statement is not true?

- (a) Since the same amount of money, representing the aggregate value of goods and services, is moving in a circular way, if we want to estimate the aggregate value of goods and services produced during a year we can measure the annual value of the flows at any of the lines indicated in the diagram.
- (b) We can measure the uppermost flow (at point A) by measuring the aggregate value of spending that the firms receive for the final goods and services which they produce. This method will be called the expenditure method.
- (c) If we measure the flow at B by measuring the aggregate value of final goods and services produced by all the firms, it will be called the product method.
- (d) None of these



129. Let us suppose that there are only two kinds of producers in the economy. They are the wheat producers (farmers) and the bread makers (bakers). The wheat producers grow wheat and they do not need any input other than human labour. They sell a part of the wheat to the bakers. The bakers do not need any other raw materials besides wheat to produce bread.

Production, Intermediate Goods and Value Added

	Farmer	Baker
Total production	100	200
Intermediate goods used	0	50
Value added	100	200 - 50 = 150

In the above table, all the variables are expressed in terms of money.

On the basis of above given information, which of the following statement/statements is/are true?

- (a) The net contribution made by the bakers is, ₹200 - ₹50 = ₹150. Hence, the aggregate value of goods produced by this simple economy is ₹100 (net contribution by the farmers) + ₹150 (net contribution by the bakers) = ₹250.
- (b) The term that is used to denote the net contribution made by a firm is called its value added.
- (c) The raw materials that a firm buys from another firm which are completely used up in the process of production are called 'intermediate goods'. Therefore the value added of a firm is, value of production of the firm - value of intermediate goods used by the firm. The value added of a firm is distributed among its four factors of production, namely, labour, capital, entrepreneurship and land. Therefore wages, interest, profits and rents paid out by the firm must add up to the value added of the firm. Value added is a flow variable.
- (d) All of these

130. GDP ≡ Sum total of gross value added of all the firms in the economy.

If there are  $N$  firms in the economy, each assigned with a serial number from 1 to  $N$ , then GDP ≡ Sum total of the gross value added of all the firms in the economy

$$\equiv GVA_1 + GVA_2 + \dots + GVA_N$$

$$\text{Therefore, } GDP \equiv \sum_{i=1}^N GVA_i$$

The symbol  $\Sigma$  is a shorthand - it is used to denote summation. For example,  $\sum_{i=1}^N GVA_i$  will be equal to  $X_1 + X_2 + \dots + X_N$ . In this case  $\sum_{i=1}^N GVA_i$  stands for the sum total of gross value added of all the  $N$  firms. We know

that the net value added of the  $i$ -th firm ( $NVA_i$ ) is the gross value added minus the wear and tear of the capital employed by the firm.

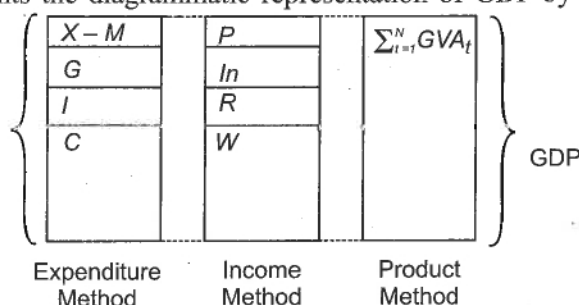
On the basis of GDP concept and above given points, which of the following statement/statements is/are true?

- (a)  $NVA_i \equiv GVA_i - D_i$  (b)  $GVA_i \equiv NVA_i + D_i$   
 (c)  $GDP \equiv \sum_{i=1}^N NVA_i + \sum_{i=1}^N D_i$  (d) All of these

131. For expenditure method, which of the following statement/statements is/are true?

- (a) Calculation of the GDP is by looking at the demand side of the products.  
 (b) Final expenditure is that part of expenditure which is undertaken not for intermediate purposes.  
 (c) Both (a) and (b) (d) None of these

132. The following image represents the diagrammatic representation of GDP by the three methods.

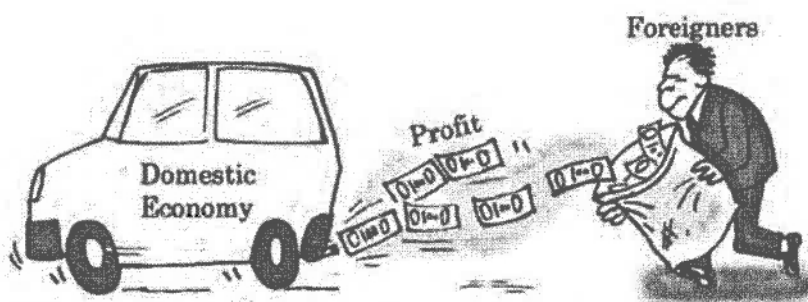


(S stands for the aggregate savings made by them and T be the sum total of taxes paid by them.  $I$  = sum total of both planned and unplanned investments undertaken by the firms.  $C$  = final consumption expenditure)

In the given context, which of the following statement/statements is/are true:

- (a)  $GDP \equiv C + S + T$   
 (b) Out of the GDP, a part is consumed and a part is saved (from the recipient side of the incomes).  
 (c) From the side of the firms, the aggregate final expenditure received by them (GDP) must be equal to consumption expenditure and investment expenditure.  
 (d) All of above

133. Gross Domestic Product measures the aggregate production of final goods and services taking place within the domestic economy during a year. But the whole of it may not accrue to the citizens of the country.



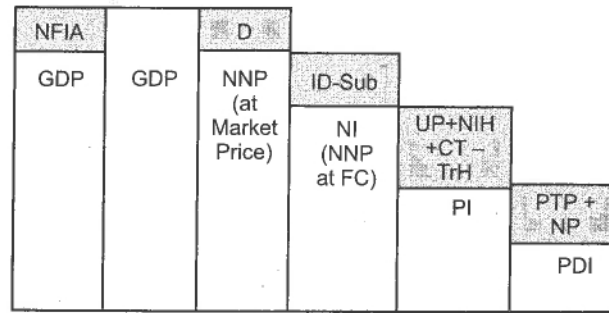
The foreigners have a share in your domestic economy.

On the basis of above given facts, which of the following statement/statements is/are true?

- (a)  $GNP \equiv GDP + \text{Factor income earned by the domestic factors of production employed in the rest of the world} - \text{Factor income earned by the factors of production of the rest of the world employed in the domestic economy.}$   
 (b)  $GNP \equiv GDP + \text{Net factor income from abroad}$   
 (c)  $\text{Net factor income from abroad} = \text{Factor income earned by the domestic factors of production employed in the rest of the world} - \text{Factor income earned by the factors of production of the rest of the world employed in the domestic economy.}$   
 (d) All of the above



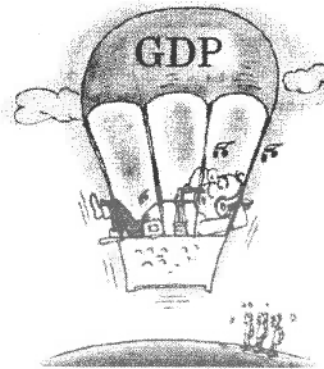
134. Look at following diagrams:



Diagrammatic representation of the sub-categories of aggregate income. NFIA: Net Factor Income from Abroad, D: Depreciation, ID: Indirect Taxes, Sub: Subsidies, UP: Undistributed Profits, NIH: Net Interest Payments by Households, CT: Corporate Taxes, TrH: Transfers received by Households, PTP: Personal Tax Payments, NP: Non-Tax Payments.

On the basis of above context, which of the following statement/statements is/are not true?

- (a) National Disposable Income = Net National Product at market prices + Other current transfers from the rest of the world
  - (b) Private Income = Factor income from net domestic product accruing to the private sector + National debt interest + Net factor income from abroad + Current transfers from government + Other net transfers from the rest of the world.
  - (c) The idea behind National Disposable Income is that it gives an idea of what is the maximum amount of goods and services the domestic economy has at its disposal. Current transfers from the rest of the world include items such as gifts, aids, etc.
  - (d) None of these
135. Can the GDP of a country be taken as an index of the welfare of the people of that country? For this, which of the following statement/statements is/are not true?



*How uniform is the distribution of GDP? It still seems that a majority of the people are poor and a few benefited.*

- (a) We may be tempted to treat a higher level of GDP of a country as an index of greater well-being of the people of that country.
- (b) There are at least three reasons why this may not be correct: first. Distribution of GDP – how uniform is it: If the GDP of the country is rising, the welfare may not rise as a consequence. This is because the rise in GDP may be concentrated in the hands of very few individuals or firms. For the rest, the income may in fact have fallen. In such a case the welfare of the entire country cannot be said to have increased.
- (c) Second: Non-monetary exchanges: Many activities in an economy are not evaluated in monetary Third. 3rd Externalities: Externalities refer to the benefits (or harms) a firm or an individual causes to another for which they are not paid (or penalised). Externalities do not have any market in which they can be bought and sold.
- (d) All of these

136. In a single day Mohan, the fruit seller, collects ₹5000 from selling fruits; over this day, his equipment (weighing scale, rickshaw etc., depreciates in value by ₹100. Of the remaining ₹4900, Mohan pays sales tax worth ₹300, takes home ₹2600 and retains ₹2000 for buying fruits for the next day. He further pays ₹100 as income tax from his income.

Based on this information, complete Mohan's contribution to the Gross Domestic Product:

- (a) ₹5000 (b) ₹5500 (c) ₹4500 (d) None of these

(Hint: This is earning by Mohan in a day by selling fruits)

137. In a single day Shyam, the fruit seller, collects ₹1000 from selling flutes; over this day, his equipment (weighing scale, rickshaw etc., depreciates in value by ₹100. Of the remaining ₹900, Shyam pays sales tax worth ₹60, takes home ₹400 and retains ₹440 for buying flutes for the next day. He further pays ₹40 as income tax from his income. Based on this information, complete Shyam's contribution to Personal income.

- (a) ₹400 (b) ₹300 (c) ₹350 (d) None of these

(Hint: Personal Income = NNPF – Retained Earnings = 840 – 440 = ₹400)

138. The excess of private investment over saving of a country in a particular year was ₹6,000 crores. The budget deficit was (–) ₹4,500 crores. What was the volume of the trade deficit of that country?

- (a) ₹1500 crores (b) ₹600 crores (c) ₹650 crores (d) None of these

139. From the set of facts given in column I and corresponding relevant fact given in column II, choose the correct pair of statement:

**Column I**

**Column II**

- |                     |  |
|---------------------|--|
| 1. Leakage          | (i) It increases the aggregate demand and the level of income. |
| 2. Injection        | (ii) It reduces aggregate demand and the level of income.      |
| 3. Gross Investment | (iii) It excludes depreciation.                                |
| 5. Net Investment   | (iv) It includes depreciation                                  |

- (a) 1 – (iii) 2 – (i) 3 – (ii) 4 – (iv)  
 (b) 1 – (ii) 2 – (i) 3 – (iii) 4 – (iv)  
 (c) 1 – (ii) 2 – (iii) 3 – (i) 4 – (iv)  
 (d) 1 – (ii) 2 – (i) 3 – (iv) 4 – (iii)

140. From the set of facts given in column I and corresponding relevant fact given in column II, choose the correct pair of statement:

**Column I**

**Column II**

- |                      |   |
|----------------------|---|
| 1 Capital Goods      | (i) final goods which satisfy human wants directly  |
| 2 Intermediate Goods | (ii) used either for final consumption or for investment                                      |
| 3 Consumption Goods  | (iii) which are used as a raw material for further production or for resale in the same year. |
| 4 Final Goods        | (iv) which help in production.  |

- (a) 1 – (ii) 2 – (iii) 3 – (i) 4 – (iv) (b) 1 – (ii) 2 – (i) 3 – (iv) 4 – (iii)  
 (c) 1 – (iv) 2 – (iii) 3 – (i) 4 – (ii) (d) 1 – (i) 2 – (ii) 3 – (iv) 4 – (iii)

**INPUT TEXT BASED MCQs**

Read the following passage and write answers of Q141–Q143

On 21st June, 2015, the First World Yoga Day was celebrated. In India, it was significantly observed in Delhi, with more than 3500 people, including dignitaries from 84 nations and the prime minister, Narendra Modi. It was organised by the Ministry of AYUSH. It widely publicised through campaigns on various media to spread awareness about the benefits of Yoga among the masses. T-shirts with the yoga day logo, yoga mats and other related items were distributed to the enthusiasts. Trained yoga experts were appointed to help beginners who participated in the event.

141. Government expenditure to popularise yoga among the masses \_\_\_\_\_ welfare?  
 (a) Increases (b) Decreases  
 (c) May Increase or Decrease (d) No effect
142. The term 'welfare' refers to:  
 (a) Sense of pride in the nation (b) Increase in purchase of services  
 (c) Sense of well-being among the people (d) Strict control by the government
143. GDP at constant prices is also called \_\_\_\_\_.  
 (a) Per Capital GDP (b) Nominal GDP (c) Real GDP (d) GDP Index

**Read the following passage and write answers of Q144–Q146**

Intermediate goods can be used in production, but they can also be consumer goods. How is it classified depends on who buys it. If a consumer buys a bag of sugar to use at home, it is a consumer good. But if a manufacturer purchases sugar to use during the production of another product, it becomes an intermediate good.

Capital goods, on the other hand, are assets that are used in the production of consumer goods. That means they are purchased to help in the production process. So, the baker who bakes the bread in the example above will buy an oven to use in the production process. That oven is considered a capital good, which doesn't transform or change shape, unlike the wheat.

Economists do not include value of intermediate goods when they calculate gross domestic product (GDP). GDP is a measurement of the market value of all final goods and services produced in the economy. The reason why these goods are not part of the calculation is that they would be counted twice.

144. Sugar purchased by a household will be considered as \_\_\_\_\_ good.  
 (a) Capital (b) Intermediate (c) Final (d) Consumer
145. Oven is a \_\_\_\_\_ good when it is purchased by a baker and a \_\_\_\_\_ good when it is purchased by a household.  
 (a) Final Capital, Intermediate (b) Intermediate, Final Capital  
 (c) Intermediate for Bath (d) Final producer/Capital good, Final consumer
146. The good will be considered as intermediate or final, depends on the \_\_\_\_\_ of the product.  
 (a) Consumer (b) Sediment (c) end-use (d) Initial USE

**Read the following passage and write answers of Q147–Q149**

The Indian Economy saw its worst contraction in decades, with GDP shrinking by a record 23.9% in the April to June Quarter in comparison to the same period last year.

The contraction reflects the severe impact of the Covid 19 lockdown, which halted most economic activities as well as the slowdown trend of the economy even pre-Covid 19.

The Indian economy is in a deeply vicious cycle, where demand is contracting so heavily, while the capacity to neutralise this contraction has also contracted equally because of the tax revenue contraction.

Agriculture was the only sector which recorded modest growth of 3.4% in year-on-year terms and all other sectors saw contraction.

147. The impact of Covid 19 on India's GDP \_\_\_\_\_  
 (a) Increasing (b) Decreasing (c) Constant (d) None of these
148. Net Indirect Taxes are calculated as \_\_\_\_\_.  
 (a) IT + subsidies (b) Subsidies – IT (c) IT – Subsidies (d) None of these
149. The only sector \_\_\_\_\_ which recorded modest growth of 3.4% in year:  
 (a) Agriculture (b) Industry (c) Service (d) Manufacturing



**Read the following passage and write answers of Q150–Q153**

**First Advance Estimates of National Income, 2019-20:** The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation has released the First Advance Estimates of National Income at both Constant (2011-12) and Current Prices, for the financial year 2019-20 along with the corresponding estimates of expenditure components of the Gross Domestic Product (GDP).

**Gross Domestic Product:** Real GDP or GDP at Constant Prices (2011-12) in the year 2019-20 is likely to attain a level of ₹147.79 lakh crore, as against the Provisional Estimate of GDP for the year 2018-19 of ₹140.78 lakh crore, released on 31st May 2019. The growth in real GDP during 2019-20 is estimated at 5.0% as compared to the growth rate of 6.8% in 2018-19.

**Gross Value Added (GVA) at Basic Prices:** Real GVA at Basic Prices is estimated to increase from ₹129.07 lakh crore in 2018-19 to ₹135.40 lakh crore in 2019-20. Estimated growth of real GVA in 2019-20 is 4.9% as against 6.6% in 2018-19.

**Gross Domestic Product:** GDP at Current Prices in the year 2019-20 is likely to attain a level of ₹204.42 lakh crore, as against ₹190.10 lakh crore in 2018-19 showing a growth rate of 7.5%.

**National Income:** The nominal Net National Income (NNI), also known as National Income (at Current Prices) is likely to be ₹181.10 lakh crore during 2019-20, as against ₹168.37 lakh crore for the year 2018-19. In terms of growth rates, the National Income registered a growth rate of 7.6% in 2019-20 as against the previous year's growth rate of 11.3%.

150. A growing country is one with:

- (a) Rising GNP at constant prices
- (b) Constant GNP at constant prices
- (c) Rising GNP at current prices
- (d) None of these

151. Which of the following statements is correct:

- (a) GDP is derived by subtracting taxes on products net of subsidies on products to gross value added at basic prices.
- (b) GDP is derived by adding taxes on products and subsidies on products to gross value added at basic prices.
- (c) GDP is derived by adding Subsidies net of taxes on products to net value added at basic prices.
- (d) GDP is derived by adding Taxes on products net of subsidies on products to GVA at basic prices.

152. National product at current prices is higher than national product at constant prices during a period of:

- (a) Rising prices
- (b) Falling prices
- (c) Constant prices
- (d) Both (a) and (b)

153. Value added means value of:

- (a) Output at market prices
- (b) Output less depreciation
- (c) Output less intermediate cost
- (d) Output plus intermediate cost

**Read the following passage and write answers of Q154–Q155**

National income of India constitutes total amount of income earned by the whole nationals of our country and originated both within and outside its territory during a particular year. The National Income Committee in its first report wrote, "A national income estimate measures the volume of commodities and services turned out during a given period, without duplication."

The estimates of national income depict a clear picture about the standard of living of the community. The national income statistics diagnose the economic ills of the country and at the same time suggest remedies. The rate of savings and investment in an economy also depends on the national income of the country. Moreover, the national income measures the flow of all commodities and services produced in an economy. Thus, the national income is not a stock but a flow. It measures the total productive power of the community during given period. Further, the National Income Committee has rightly observed, "National income statistics enable an overall view to be taken of the whole economy and of the relative positions and inter-relations among its various parts". Thus, the computation of national income and its analysis has been considered an important exercise on economic literature.

154. Which territory has been referred to in the first passage by the expert?  
 (a) Primary Territory (b) Domestic Territory (c) Secondary Territory (d) Foreign Sector
155. The returns for the productive power is \_\_\_\_\_ income.  
 (a) Factor (b) Transfer (c) Both (a) and (b) (d) None of these

**ANSWERS**

**Multiple Choice Questions**

- |          |          |          |          |          |          |          |          |          |          |
|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 1. (d)   | 2. (a)   | 3. (c)   | 4. (d)   | 5. (b)   | 6. (c)   | 7. (c)   | 8. (a)   | 9. (d)   | 10. (c)  |
| 11. (a)  | 12. (b)  | 13. (b)  | 14. (a)  | 15. (b)  | 16. (a)  | 17. (a)  | 18. (a)  | 19. (c)  | 20. (b)  |
| 21. (a)  | 22. (b)  | 23. (a)  | 24. (a)  | 25. (a)  | 26. (a)  | 27. (a)  | 28. (a)  | 29. (b)  | 30. (d)  |
| 31. (b)  | 32. (c)  | 33. (a)  | 34. (d)  | 35. (d)  | 36. (a)  | 37. (c)  | 38. (b)  | 39. (a)  | 40. (c)  |
| 41. (d)  | 42. (a)  | 43. (a)  | 44. (b)  | 45. (a)  | 46. (b)  | 47. (a)  | 48. (c)  | 49. (d)  | 50. (c)  |
| 51. (b)  | 52. (b)  | 53. (d)  | 54. (d)  | 55. (c)  | 56. (c)  | 57. (b)  | 58. (a)  | 59. (c)  | 60. (c)  |
| 61. (a)  | 62. (c)  | 63. (b)  | 64. (a)  | 65. (b)  | 66. (b)  | 67. (a)  | 68. (b)  | 69. (b)  | 70. (a)  |
| 71. (b)  | 72. (a)  | 73. (b)  | 74. (a)  | 75. (a)  | 76. (a)  | 77. (a)  | 78. (a)  | 79. (a)  | 80. (a)  |
| 81. (a)  | 82. (b)  | 83. (a)  | 84. (b)  | 85. (a)  | 86. (b)  | 87. (a)  | 88. (a)  | 89. (b)  | 90. (d)  |
| 91. (c)  | 92. (d)  | 93. (c)  | 94. (d)  | 95. (a)  | 96. (a)  | 97. (b)  | 98. (c)  | 99. (c)  | 100. (a) |
| 110. (a) | 102. (b) | 103. (b) | 104. (a) | 105. (d) | 106. (c) | 107. (b) | 108. (b) | 109. (c) | 110. (b) |
| 111. (a) | 112. (d) | 113. (a) | 114. (d) | 115. (d) | 116. (d) | 117. (c) | 118. (c) | 119. (d) | 120. (c) |
| 121. (b) | 122. (a) | 123. (a) | 124. (c) | 125. (c) | 126. (b) | 127. (d) | 128. (d) | 129. (d) | 130. (d) |
| 131. (c) | 132. (d) | 133. (d) | 134. (d) | 135. (d) | 136. (a) | 137. (a) | 138. (a) | 139. (b) | 140. (c) |

**Input Text Based MCQs**

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|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 141. (a) | 142. (c) | 143. (c) | 144. (c) | 145. (d) | 146. (c) | 147. (b) | 148. (c) | 149. (a) | 150. (a) |
| 151. (d) | 152. (a) | 153. (c) | 154. (b) | 155. (a) |          |          |          |          |          |

