

Round 1

Section 1: Microeconomics

1. If the government increases GST on televisions but the price of televisions does not change as a result of the tax increase, it implies that
 - a) People are either not buying TV or they are not paying GST.
 - b) Producers are selling only those televisions that they have produced before the GST was implemented.
 - c) The incidence of the tax increase has fallen entirely on the consumer
 - d) The incidence of the tax increase has fallen entirely on the producer

2. The cost of generating solar and wind energy is currently higher than the cost of producing traditional fossil fuels. However, due to changes in the production technology, the cost of these products will soon be equal. When this happens, holding everything else constant, one can expect:
 - a) A rise in solar and wind energy production as they will now be substitutes for the lowest-cost fossil fuels.
 - b) A decline in solar and wind energy production as they will now be compliments for the lowest-cost fossil fuels
 - c) No change in solar and wind energy production
 - d) A rise in solar and wind energy production and fossil fuel production

3. For the demand and supply functions, $Q_d = 10 - P$, $Q_s = 3P - 2$. The equilibrium (P_0 , Q_0) is:
 - a) (6,4)
 - b) (5,5)
 - c) (7,3)
 - d) (3,7)

4. Union leaders are in a worse position to bargain for higher wages if the demand for labour is:
 - a) Elastic
 - b) Inelastic
 - c) Very low
 - d) Constant

5. If a firm sells its output on a market that is characterized by few sellers and many buyers, then the firm is:
 - a) a monopolist
 - b) an oligopolist
 - c) a perfect competitor

d) a monopsonist

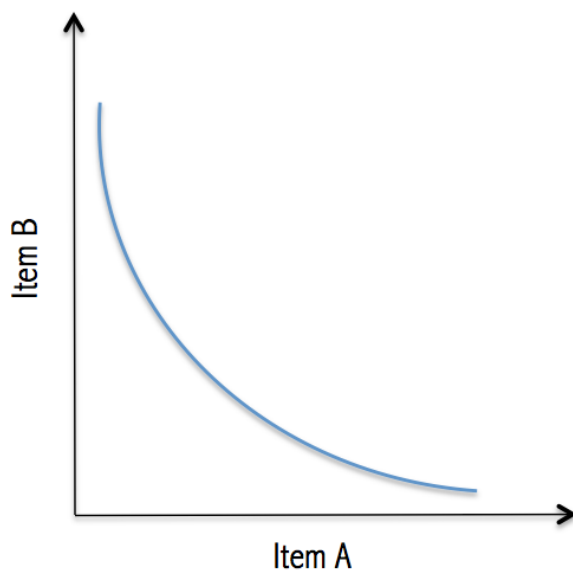
6. Which of these is an example of an adverse selection problem?

- a) A motorbike insurance market, where insurers do not know how carefully the insured people drive
- b) A health insurance market, where insurers do not know whether the applicants are heavy smokers
- c) In person sales of medicine where consumers can tell whether the contents are as claimed by sellers.
- d) A firm that employs workers and can observe how hard they are working.

7. A student living in a hostel plays loud music at 1.35 am in the night. Which of the following statements is true?

- a) There is no externality. In this example, the person playing loud music (producer) and the person listening to the music (consumer) are the same.
- b) This is positive externality. Others who live in the same hostel are able to enjoy music without putting in the effort to play music.
- c) This is negative externality. The loud music may disturb those who are sleeping or trying to sleep.
- d) The concept of externality is not applicable here since there is no market in this situation.

8. An indifference curve is shaped as below. Which one of the following is true?



- a) This exhibits a diminishing rate of marginal substitution between items A and B.
- b) This exhibits that a relatively higher share of consumers prefer item A to item B.
- c) This exhibits that items A and B are perfect complements.

d) This exhibits that items A and B are perfect substitutes.

9. Mallika likes playing hockey more than playing cricket. Bala, on the other hand, prefers playing cricket to playing hockey. However, both of them also value spending time together rather than spending the afternoon apart. The following table represents the enjoyment levels (pay-offs) of Mallika and Bala, depending on their choice of activity (the first number is Mallika's enjoyment level while the second number is Bala's).

Mallika	Bala		
		Cricket	Hockey
	Cricket	3,5	1,1
	Hockey	4,3	6,2

Based on the information in the table, what is the Nash Equilibrium?

- a) The Nash equilibrium is (hockey, cricket) where Mallika chooses hockey and Bala chooses cricket.
- b) The Nash equilibrium is (cricket, cricket) where both players choose cricket.
- c) The Nash equilibrium is (hockey, hockey) where both players choose hockey.
- d) The Nash equilibrium is (cricket, hockey) where Mallika chooses cricket and Bala chooses hockey.

10. In a competitive market, the adoption of a price intervention such as a tariff will lead to:

- a) A deadweight loss
- b) An increase in consumer surplus
- c) Greater overall efficiency
- d) A lower government revenue

Section 2 : Macroeconomics

1. The table below gives some macroeconomic aggregate data for a country. Calculate the aggregate demand in this country.

Consumption (C)	40
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Investment (I)	15
Government Spending (G)	30
Exports (X)	15
Imports (M)	10

- a) 110
- b) 100
- c) 90
- d) 60

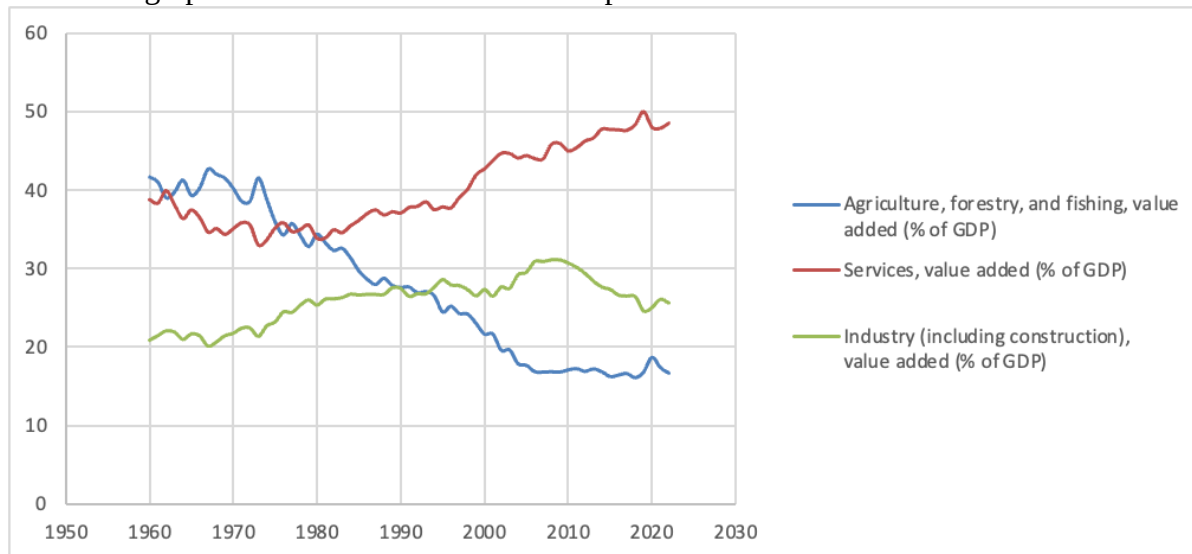
2. Assume that the consumption function is given by $C=10 +.8Y$, where Y is the income. Investment is 15, Government Spending is 30, Exports are 15 and Imports are 10. What is the equilibrium income?

- a) 250
- b) 300
- c) 150
- d) 90

3. Which of the following statements about the measurement of GDP is correct?

- a) The value added of government production is computed using the price at which public goods are sold at in the market.
- b) Government production is not included in GDP.
- c) Information about exports but not imports is necessary to calculate GDP.
- d) GDP can be measured as the sum of all income received from domestic production within a given period.

4. This graph shows the sectoral composition of GDP for the Indian economy.



From the graph we can conclude:

- Manufacturing industries in the Indian economy have always contributed more to the GDP than the agricultural sector.
- The Indian economy has not experienced structural change in the sectoral composition of GDP.
- The Indian economy has seen a decline in the relative contribution of the agricultural sector and an increase in the relative contribution of the service sector.
- Most Indians are dependent upon the service sector for their livelihoods.

5. What is the value of the multiplier in an economy with a Marginal Propensity to Consume (MPC) of 0.8?

- 2
- 5
- 0.75
- 1.33

6. In India economic growth remains weakly connected to job creation. Since the 1980s, non-farm output has consistently grown much faster than non-farm employment resulting in:

- A steady fall in the employment elasticity (output growth divided by employment growth)
- a steady increase in the employment elasticity (output growth divided by employment growth)
- No change in employment elasticity
- No change in total output

7. A Balance of Payments deficit means

- A country imports more goods than it exports.

- b) A country exports more goods than it imports.
- c) The country lends capital to the rest of the world.
- d) The currency will appreciate.

8. If you were a government official and the economy was going through a period of high unemployment, what policy options would you adopt to try to stimulate aggregate demand?

- a) Contractionary monetary policy
- b) Tighter regulation of financial intermediaries
- c) Contractionary fiscal policy
- d) Expansionary fiscal policy

9. Which of the following would increase GDP?

- a) An increase in imports
- b) An increase in remittances paid to domestic residents by relatives living abroad.
- c) An increase in government spending
- d) A decline in exports

10. Inflation is most likely to be seen when.

- a) There is a high level of unemployment.
- b) Productivity is rising.
- c) Import costs are falling.
- d) There is a large increase in domestic expenditure.

Section 3: Quantitative Reasoning

1. ₹100 invested for 5 years at 6% per annum interest compounded annually will grow to: (* denotes multiplication)

- a) 1065
- b) $100[1 + (0.06) \cdot (5)]$
- c) $100 \cdot [(1.6)]^5$
- d) $100 \cdot (1 + 0.06) \cdot 5$

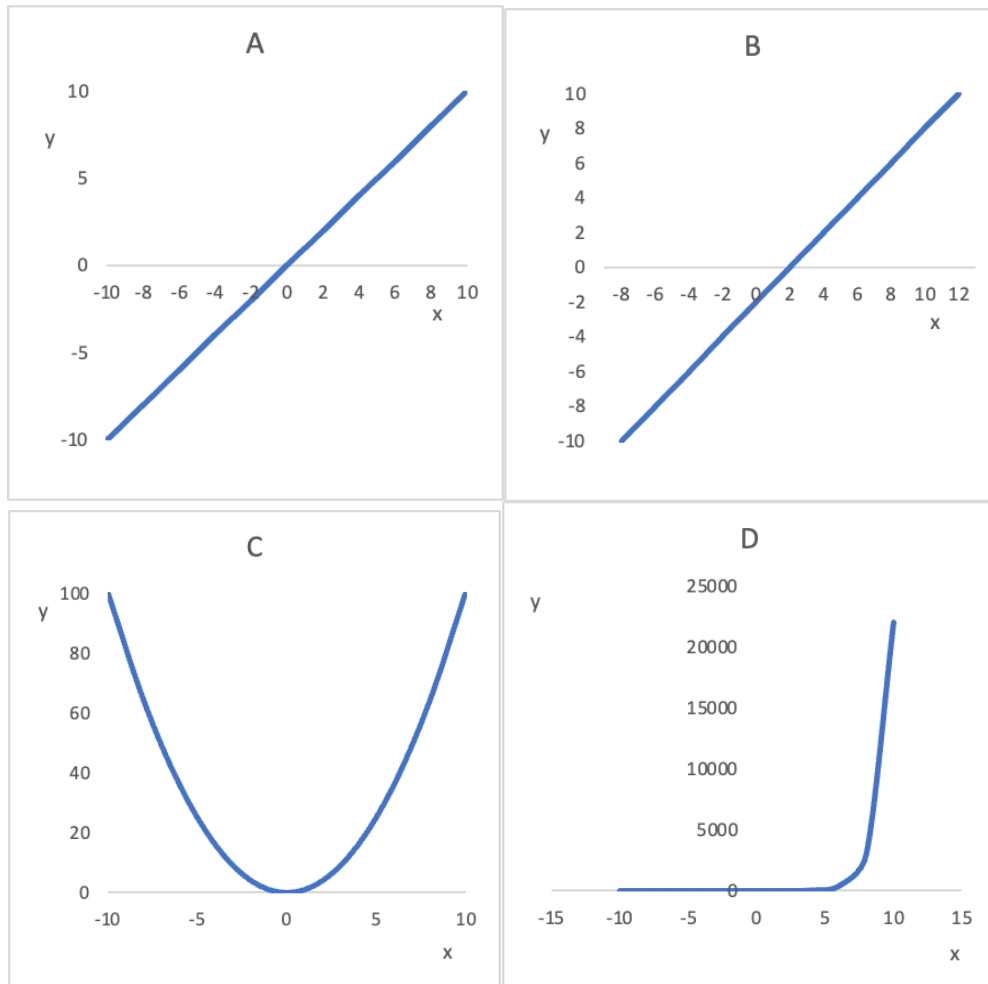
2. When an unbiased die with six faces is rolled, the probability of getting an even number is equal to:

- a) $\frac{1}{3}$
- b) Probability of getting an odd number
- c) There is not enough information to answer the question.
- d) $\frac{1}{6}$

3. Assume nominal GDP for India was ₹235 lakh crores in 2021. Using the price index of 108 calculate the real GDP for India in 2021.

- a) ₹217.6 lakh crores
- b) ₹2.18 lakh crores
- c) ₹2.17 lakh crores
- d) ₹0.46 lakh crores

4. What are the functions that go with the graphs below?



- a) A: $f(x) = x$, B: $f(x) = |x|$, C: $f(x) = e^x$, D: $f(x) = x + 2$
- b) A: $f(x) = y$, B: $f(x) = x + 2$, C: $f(x) = \log x$, D: $f(x) = e^x$
- c) A: $f(x) = x$, B: $f(x) = x + 2$, C: $f(x) = x^2$, D: $f(x) = e^x$
- d) A: $f(x) = x + 2$, B: $f(x) = y$, C: $f(x) = |x|$, D: $f(x) = \log x$

5. The graph below shows monthly earnings of different types of workers in India.

Monthly earnings of self-employed, regular and casual wage

Monthly earnings of self-employed, regular and casual wage workers (Rs.)



Source: PLFS 2018-19

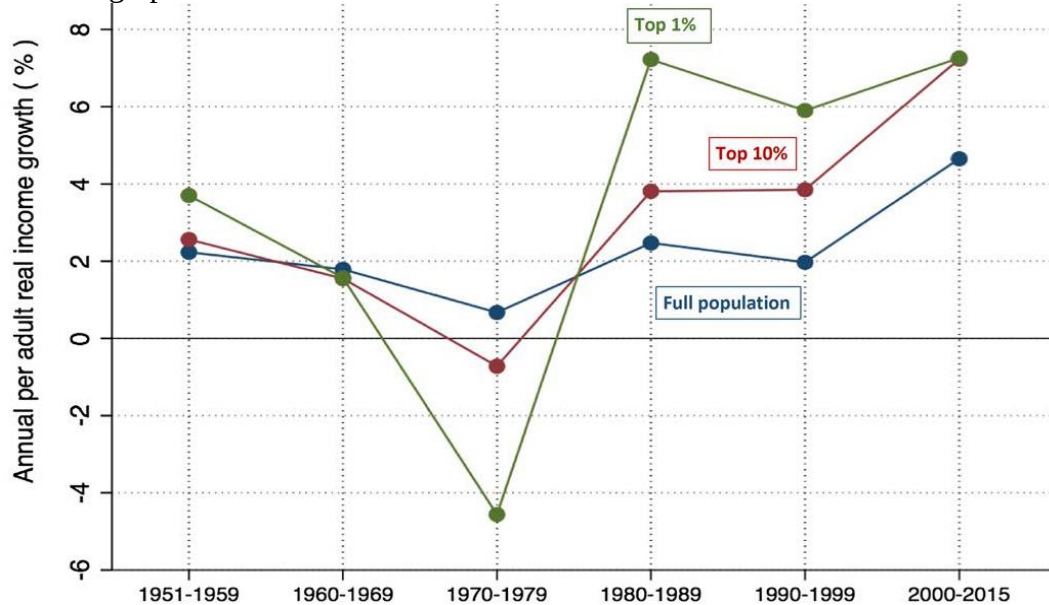
From the data on the graph, we can conclude that:

- a) Every regular wage worker earns more than self-employed workers.
- b) On average regular wage workers almost earn three times the amount casual wage workers earn per month
- c) The median self-employed worker earns more than any casual wage worker
- d) There are more regular wage workers than casual wage workers.

6. What does a histogram show?

- a) A histogram is a graph in which values of observations are plotted on the horizontal axis, and their density is plotted on the vertical axis.
- b) A histogram is a graph in which levels of the independent variable are plotted on the horizontal axis, and the mean of observations is plotted on the vertical axis.
- c) A histogram is a graph in which values of observations are plotted on the horizontal axis, and the frequency with which each value occurs in the data set is plotted on the vertical axis.
- d) A histogram is a graph in which values of one variable are plotted against values of a different variable.

7. The graph below shows the National Income Growth in India between 1951 and 2015



Source: Chancel and Piketty (2019), 'Indian Income Inequality, 1922-2015: From British Raj to Billionaire Raj', in Review of Income and Wealth Vol 65(S1).

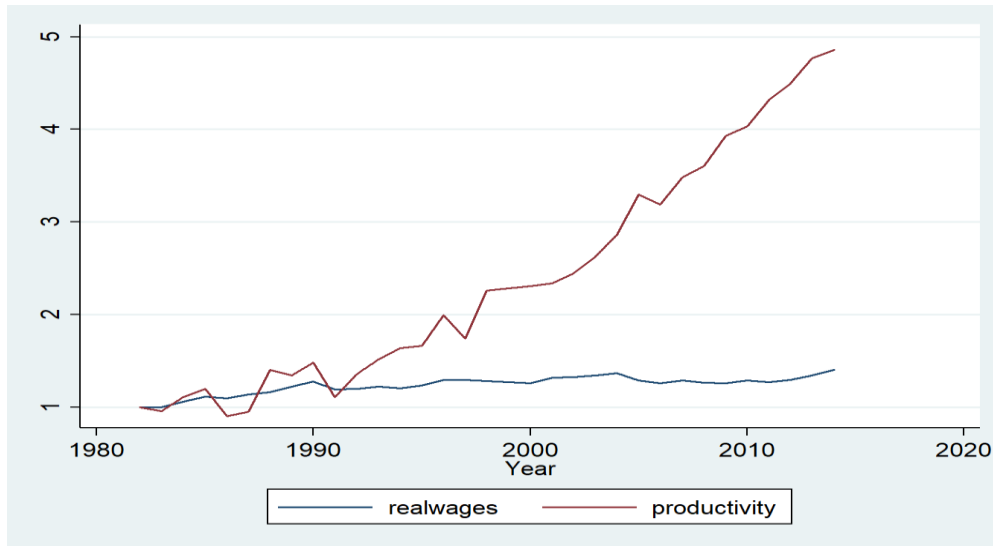
From the graph we can conclude the following:

- In general, the Indian population experienced a substantially lower rate of average income growth as compared to the top 10% group after the 1980s.
- Incomes grew every year for all groups.
- The bottom 10% group experienced a substantially higher rate of average income growth as compared to the top 10% group.
- The top 1% group experienced a substantially lower rate of average income growth as compared to the bottom 1% group after 1980.

8. Some economists have studied the relationship between adult height and the distribution of income across a population. They have found that adult height is an increasing but concave function of income. This implies:

- On average richer people are also taller.
- On average richer women will be taller than poorer men
- Median heights will be higher than average heights.
- A relatively tall person must be among the rich in society.

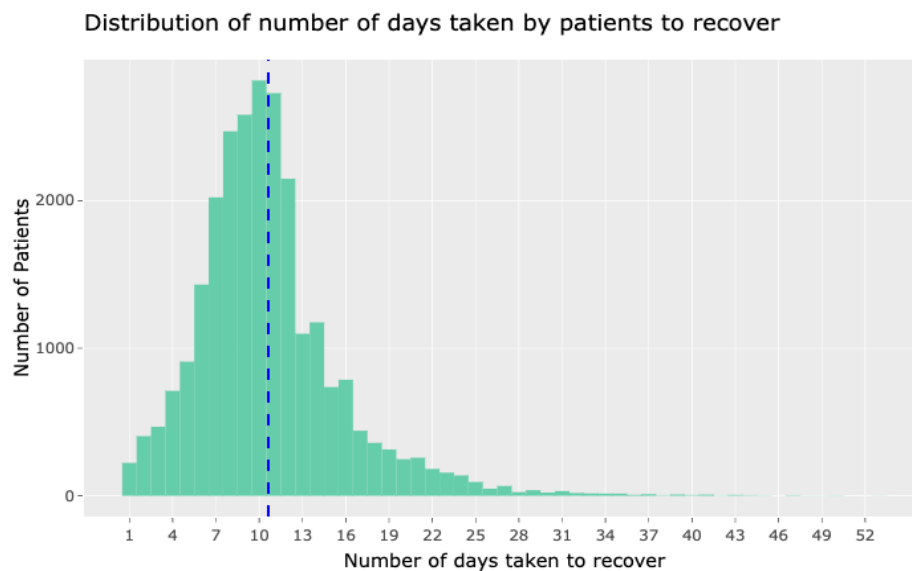
9. This graph shows real wage and productivity growth in India from 1982 to 2012.



From this data we can conclude that:

- Real wages have increased in proportion to increases in productivity.
- Productivity increases have been lower than real wage growth.
- Real wage growth has been relatively stagnant since 1990 while productivity growth has risen.
- Real wage growth and productivity have been stagnant.

10. The graph below shows the number of days taken by patients to recover from COVID:



From this graph we can conclude that:

- Most patients took more than 13 days to recover.
- All patients recovered within 34 days.
- The average time of recovery is slightly higher than the median days of recovery.

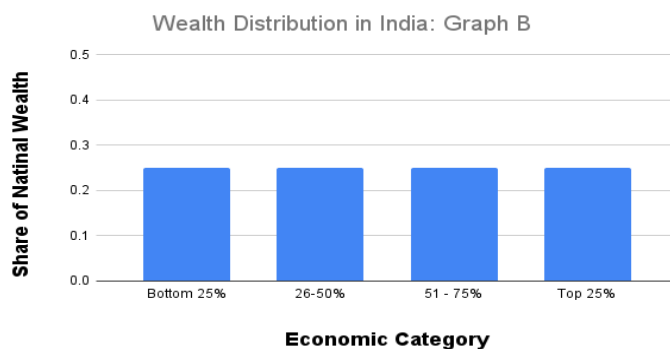
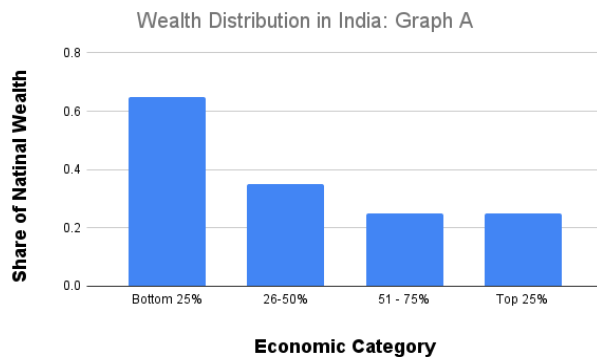
- d) The average time of recovery is slightly less than the median days of recovery.

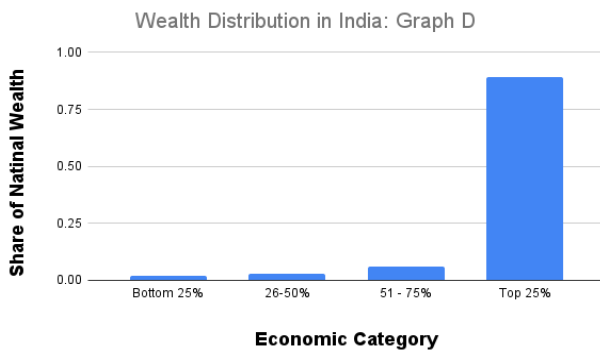
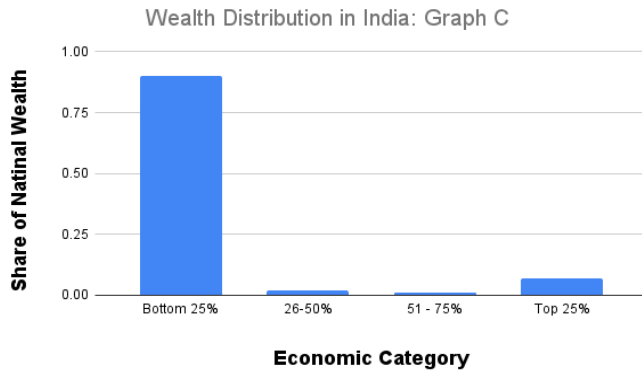
Section 4: Analytical

1. Data on crime against women in India is:

- a) Under-reported, but not under-recorded. This is because women are not encouraged enough to report crimes against them, but when they file a complaint, the police are legally bound to register the complaint.
- b) Under-recorded, but not under-reported. This is because all the crimes against women are reported, but not all of them are registered by the police.
- c) Under-reported as well as under-recorded. This is because women are neither encouraged to report crimes against them, nor do the police register all the reported crimes against women.
- d) None of the above

2. The following graphs show four possible distributions of wealth in India. That is, the share of total wealth held by the rich and the poor.





Which of the above graphs provides a relatively accurate description of Indian reality?

- a) Graph A
- b) Graph B
- c) Graph C
- d) Graph D

3. “There is no doubt, in my opinion, that unless you change your social order you can achieve little by way of progress. You cannot mobilize the community either for defence or for offence. You cannot build anything on the foundations of caste. You cannot build up a nation, you cannot build up morality. Anything that you will build on the foundations of caste will crack and will never be a whole.”

— B.R. Ambedkar, Annihilation of Caste.

Based on the above passage, which of the following is true?

- a) Caste is the foundation of Indian society.
- b) To remove caste as a system, one needs economic development.
- c) A nation built in the presence of the caste system will always be fractured.
- d) In the presence of the caste system, it is impossible to mobilise people against the caste system.

4. The India Lights platform shows light output at night for 20 years for 600,000 villages across India. For a specific year, it provides a map where each point represents the light output of a

specific village at a given point in time. This data is used to provide an estimate of economic activity. A researcher observes that region A has more lights than region B. Which of the following statements is certainly False?

- a) Region A is richer than region B.
- b) Region A is an urban area.
- c) Region A has a more effective government.
- d) Region A has less crime than region B.

5. The India Working Survey shows that the lower level of women's labour force participation is partially explained by how questions are asked and to whom they are asked. Labour force surveys usually gather information from one respondent in the household. Which of the following may help capture women's workforce participation better?

- a) One should interview the head of the household.
- b) If there is a mother-in-law and daughter-in-law present in the household, one should interview the mother-in-law.
- c) If there is a mother-in-law and daughter-in-law present in the household, one should interview the daughter in law.
- d) One should randomly pick a person to interview, since otherwise the answers will be biased.

Section 5: Short Answer

Instructions

- **Please respond to the question given below in 500 words.**

Karnataka recently implemented a policy where women can now ride free on all public buses. Use your knowledge of economics to answer the following:

1. Use economic theory to explain what will happen to demand for public buses.
2. What may be some unintended consequences of the policy? Explain how you came to this conclusion.

Instructions

- **Please respond to the question given below in 500 words.**

The price of a kilogram of wheat at a fair-price shop is INR 7.50. The price of wheat on the market could be five times higher. What explains this?

Instructions

- Please respond to the question given below in 500 words.

In APU we often observe students coming from the same state sitting next to each other in class.

1. Why do you think this can be good for learning?
 2. How do you think this can prevent learning?
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Round 2

Section 1: Microeconomics

1. If the government increases GST on tea but the price of tea does not change as a result of the tax increase, it implies that
 - a) People who drink tea in India do not pay taxes.
 - b) The incidence of the tax increase has fallen entirely on the consumer.
 - c) Tea producers have shifted to producing coffee.
 - d) The incidence of the tax increase has fallen entirely on the producer
2. Consider the market for two goods that are perfect complements – sugar and milk. If the price of milk increases what will happen to the demand curve of sugar?
 - a) Demand for sugar will shift to the right, because people will substitute sugar with milk.
 - b) Demand for sugar will shift to the left, because people will buy less milk and therefore less sugar.
 - c) Demand for sugar will be the same, but the demand curve will become non-linear, because different consumers complement sugar and milk in different proportions.
 - d) Demand for sugar will be the same and it will remain linear, but the slope of the demand curve will change, because the relative price ratio of sugar and milk has changed.
3. For the demand and supply functions, $Q_d = 5 - P$, $Q_s = 2P - 1$, the equilibrium (P_0 , Q_0) is:
 - a) (6,4)
 - b) (2,5)
 - c) (1,3)
 - d) (2,3)

4. Union leaders are in a better position to bargain for higher wages if the demand for labour is:

- a) Elastic
- b) Inelastic
- c) Very low
- d) Constant

5. A market, where there is only one seller is known as,

- a) Monopolistic competition
- b) Oligopoly
- c) Monopoly
- d) Monopsony

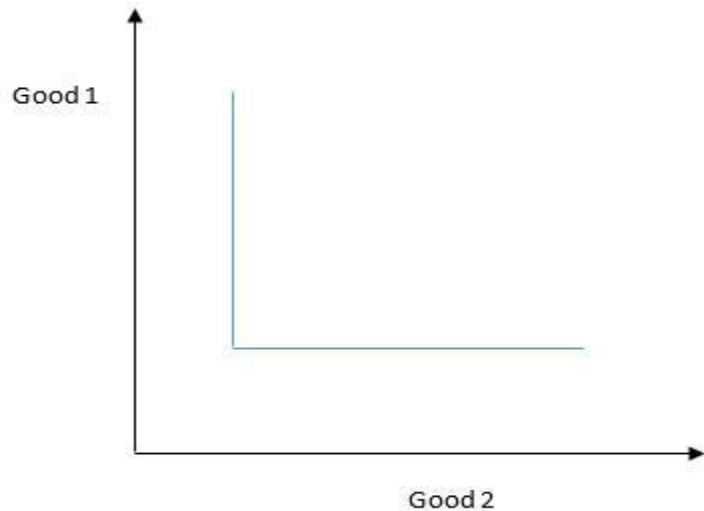
6. There are 10 used computers on the market, of which 6 are good quality and worth ₹9000 to buyers and the others are bad quality, worth ₹0. There are many potential buyers who do not know the quality of each computer, but they know the proportion of good quality computers, and are willing to pay the average value. All sellers are willing to accept a price at least half the true value of their motorbike. This is an example of:

- a) Negative Risk Externality
- b) Adverse selection
- c) Moral Hazard
- d) Discounted Trading

7. A firm producing chemicals releases all its waste in the nearby river. This has caused water pollution and therefore, the villagers from nearby areas do not use the river anymore. Which of the following statements is true?

- a) Since the villagers are not using the river anymore, there is no externality.
- b) The concept of externality is not applicable here since there is only a firm (or producer) but no consumers.
- c) This is a positive externality, since shifting from river based livelihood to other means of livelihood indicates a positive structural change in the economy.
- d) This is negative externality as the villagers are a third party facing the consequences of the actions taken by someone else.

8. An indifference curve is shaped as below.



Which one of the following is true?

- a) This exhibits a diminishing rate of marginal substitution between items A and B.
- b) This exhibits that a relatively higher share of consumers prefers item A to item B.
- c) This exhibits that items A and B are perfect complements.
- d) This exhibits that items A and B are perfect substitutes.

9. Mallika likes playing hockey more than playing cricket. Azad, on the other hand, prefers playing cricket to playing hockey. However, both of them also value spending time together rather than spending the afternoon apart. The following table represents the enjoyment levels (pay-offs) of Mallika and Azad, depending on their choice of activity (the first number is Mallika's enjoyment level while the second number is Azad's).

Mallika	Azad		
		Cricket	Hockey
	Cricket	3,5	2,2
	Hockey	5,3	6,4

Based on the information in the table, what is the Nash Equilibrium?

- a) The Nash equilibrium is (hockey, cricket) where Mallika chooses hockey and Azad chooses cricket.
- b) The Nash equilibrium is (cricket, cricket) where both players choose cricket
- c) The Nash equilibrium is (hockey, hockey) where both players choose hockey
- d) The Nash equilibrium is (cricket, hockey) where Mallika chooses cricket and Azad chooses hockey.

10. In a competitive market, the adoption of a government intervention such as a tax will lead to:

- a) A deadweight loss
- b) An increase in consumer's surplus
- c) Greater overall efficiency
- d) A lower government revenue

Section 2: Macroeconomics

1. The table below gives some macroeconomic aggregate data for a country. Calculate aggregate demand in this country.

Consumption (C)	40
Investment (I)	10
Government Spending (G)	40
Exports (X)	15
Imports (M)	20

- a) 125
- b) 75
- c) 85
- d) 90

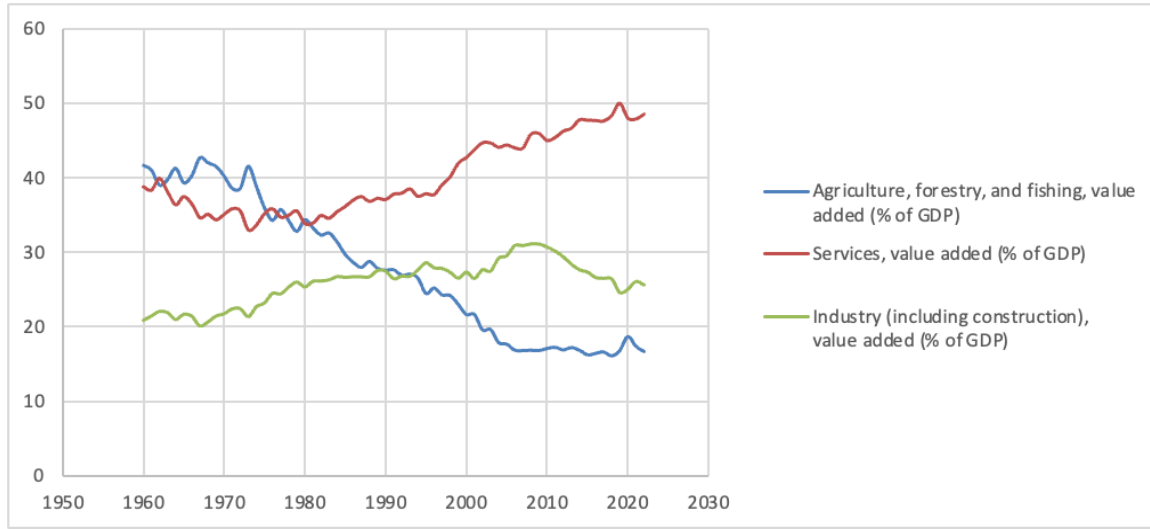
2. Assume that the consumption function is given by $C=10 +.5Y$, Investment is 10, Government Spending is 30, Exports are 15 and Imports are 5. What is the equilibrium income?

- a) 240
- b) 120
- c) 300
- d) 90

3. Which of the following statements is correct in how we measure GDP?

- a) The value added of government production is computed using the price that public goods that are produced in the economy
- b) To avoid measurement bias and increase fairness, the Government does not include the value of its own production in GDP.
- c) Information about imports but not exports is necessary to calculate GDP.
- d) GDP can be measured as the total spending on domestically produced goods and services during a given period of time.

4. This graph shows the sectoral composition of GDP for the Indian economy.



From the graph we can conclude:

- a) The Indian economy has experienced a sharp increase in industrial production since 2014.
- b) The Indian economy has not experienced structural change in the sectoral composition of GDP.
- c) The structural change in the Indian economy is driven mostly by the service sector.
- d) The majority of Indians are dependent upon the service sector for their livelihoods.

5. What is the value of the multiplier in an economy with an MPC of 0.25?

- a) 4
- b) 1.33
- c) 0.75
- d) 1

6. Growth in output divided by growth in employment is defined as employment elasticity of growth. In India, economists have observed a steady decline in the employment elasticity. This is because:

- a) Since the 1980s, non-farm output has consistently grown much slower than non-farm employment.
- b) Since the 1980s, non-farm output has moved parallel to non-farm employment.
- c) Since the 1980s, non-farm output has been constant while non-farm employment increased.
- d) Indian economic growth remains weakly connected to job creation.

7. A Balance of Payments surplus means

- a) A country exports more goods than it imports.
- b) A country imports more goods than it exports.
- c) The country lends capital to the rest of the world.
- d) The country is not in debt to the International Monetary Fund (IMF).

8. If you were a government official after a financial market crisis (such as in 2007/2008), what policy options would you adopt to stop the financial crisis worsening?

- a) Expansionary monetary policy
- b) Tighter regulation of financial intermediaries
- c) No regulation of financial intermediaries
- d) Contractionary fiscal policy

9. Which of the following would decrease GDP?

- a) A decrease in imports
- b) A decrease in government spending
- c) A decrease in remittances paid to domestic residents by relatives living abroad
- d) An increase in exports

10. Inflation is most likely to be seen when

- a) There is a large increase in the price of petroleum
- b) There is a high level of unemployment
- c) Productivity is rising
- d) Import costs are falling

Section 3: Quantitative Reasoning

1. ₹100 invested for 20 years at 16% per annum interest compounded annually will grow to:

- a) 116^{20}
- b) $100[1 + (0.16)(20)]$
- c) $100(1 + 0.16)^{20}$
- d) $[100(1.6)]^{20}$

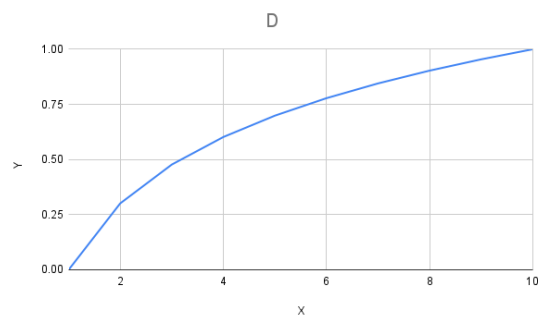
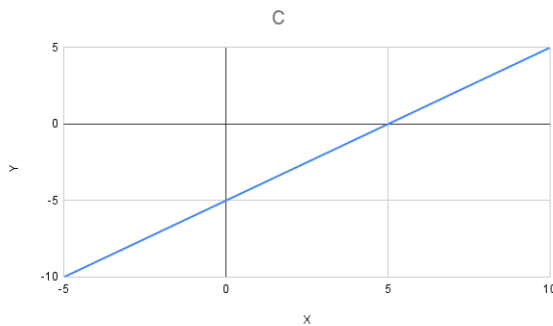
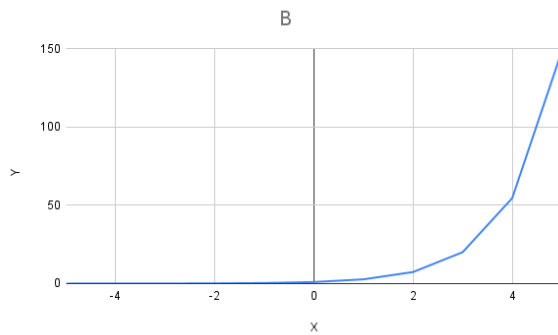
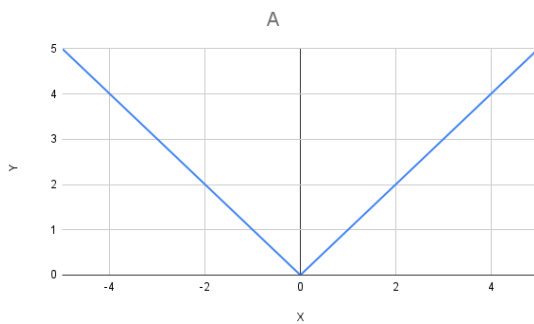
2. When an unbiased die with six faces is rolled, the probability of getting an odd number is equal to:

- a) $\frac{1}{3}$
- b) Probability of getting an even number
- c) There is not enough information to answer the question.
- d) $\frac{1}{6}$

3. Assume nominal GDP for India was ₹272 lakh crores in 2022. The real GDP, however, is ₹251.85 lakh crores. Calculate the GDP deflator

- a) 20.15
- b) 201.5
- c) 1.08
- d) 108

4. What are the functions that go with the graphs below?



- a) A: $f(x)=x$, B: $f(x)=|x|$, C: $f(x)=e^x$, D: $f(x)=x+5$
- b) A: $f(x)=|y|$, B: $f(x)=y+5$, C: $f(x)=\log x$, D: $f(x)=e^x$
- c) A: $f(x)=|x|$, B: $f(x)=e^x$, C: $f(x)=x+5$, D: $f(x)=\log x$
- d) A: $f(x)=|x|$, B: $f(x)=e^x$, C: $f(x)=x-5$, D: $f(x)=\log x$

5. The graph below shows monthly earnings of different types of workers in India.

Monthly earnings of self-employed, regular and casual wage

Monthly earnings of self-employed, regular and casual wage workers (Rs.)



Source: PLFS 2018-19

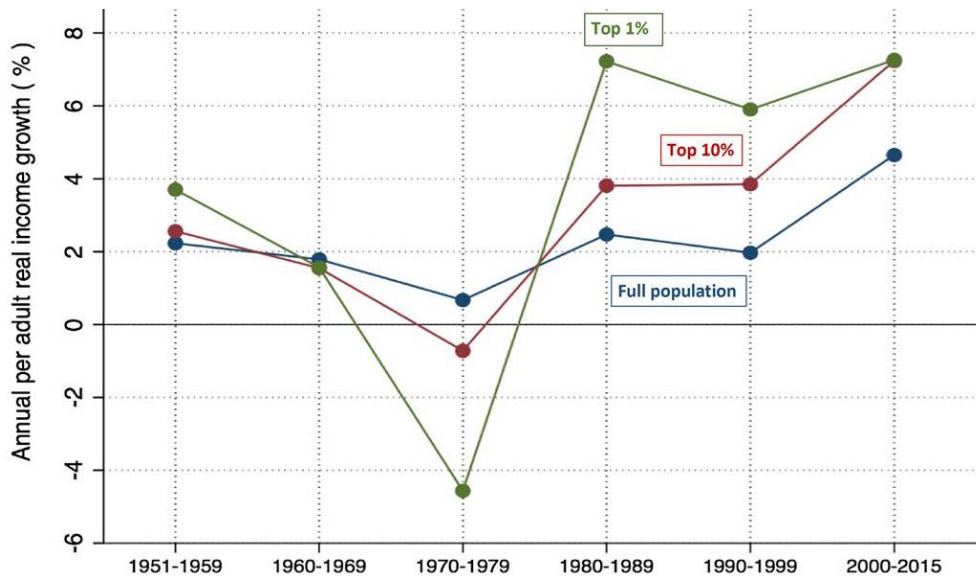
From the data on the graph we can conclude,

- a) There are no workers who earn more than 16134 Rs per month.
- b) Mean as a measure is biased because it always tends to be higher than median.
- c) The median wage of a regular worker is almost twice than the median wage of a casual wage worker.
- d) There are more regular wage workers than casual wage workers.

6. What does a bar chart show?

- a) A bar chart is a graph in which values of observations are plotted on the horizontal axis, and their density is plotted on the vertical axis.
- b) A bar chart is a graph in which the numerical values of variables are represented by the length of rectangles of equal width.
- c) A bar chart is a graph in which the numerical values of variables are represented by the equally tall rectangles of unequal width.
- d) A bar chart is a graph in which values of observations are plotted on the horizontal axis, and the frequency with which each value occurs in the data set is plotted on the vertical axis.

7. The graph below shows the National Income Growth in India from 1951 to 2015



Source: Chancel and Piketty (2019), 'Indian Income Inequality, 1922-2015: From British Raj to Billionaire Raj', in *Review of Income and Wealth* Vol 65(S1).

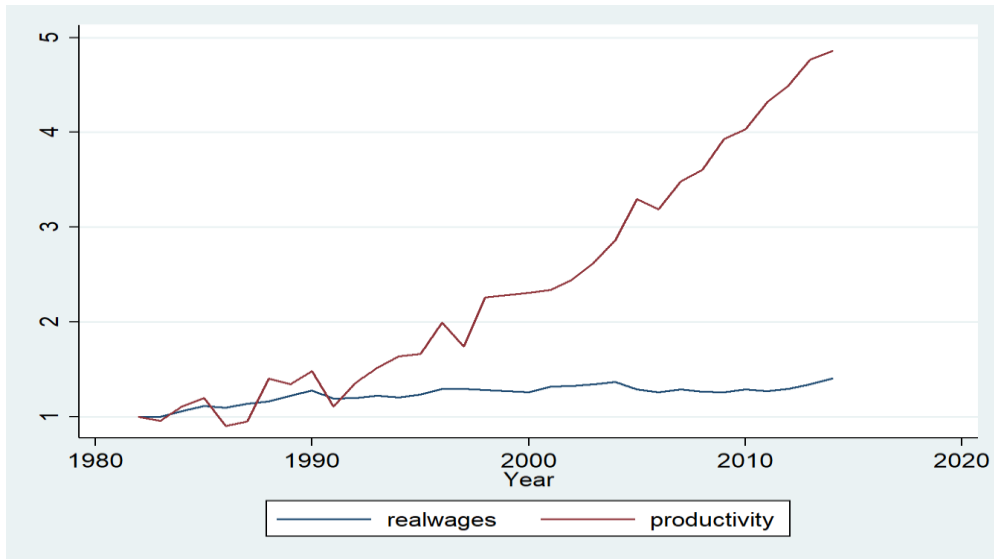
From the graph we can conclude the following:

- The top 1% has never experienced a larger fall in real income growth as compared to the top 10%
- The decline in income growth from 1970-1979 was the largest for the top 1% group
- The bottom 10% group experienced a larger decline of average income growth as compared to the top 10% group in the 1970s.
- The top 1% group experienced a substantially smaller decline in average income growth as compared to the decline in average real income growth for the population

8. Economists such as Angus Deaton have explored the relationship between adult height and the distribution of income across a population. If adult height is an increasing but concave function of income, then...

- On average richer people will be on average taller
- On average richer women will be taller than poorer men
- Median heights will be higher than average heights
- A relatively tall person must be among the rich in a society

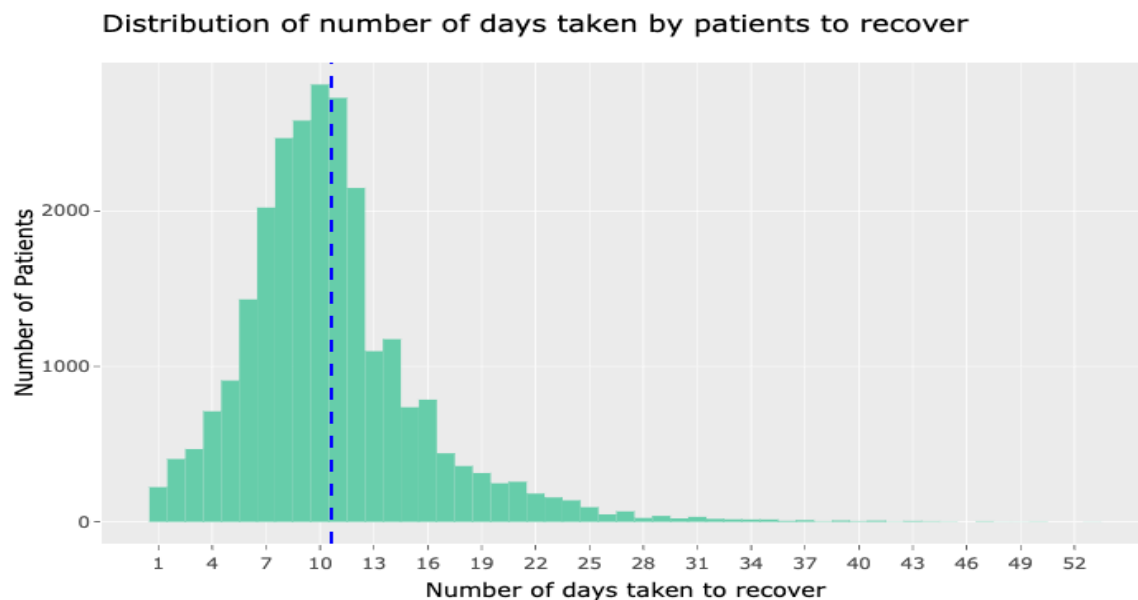
9. This graph shows real wage and productivity growth in India from 1982 to 2012.



From this data we can conclude that..

- a) Real wages have increased in inverse proportion to increases in productivity.
- b) Productivity increases have been slower than real wage growth.
- c) There was a brief period in which real wages grew faster than productivity.
- d) Labour Unions in India have not been able to bargain hard enough. \

10. The graph below shows the number of days taken by patients to recover from COVID:



From this graph we can conclude that..

- a) Very few patients took less than 13 days to recover.

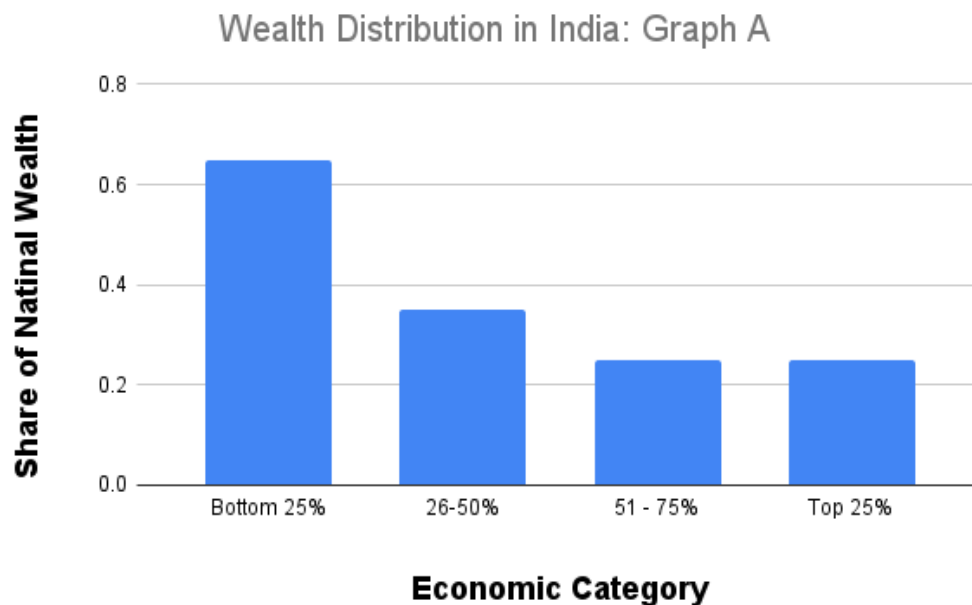
- b) All patients recovered within 37 days.
- c) Median time to recovery is slightly higher than the average time to recovery.
- d) 2000 patients recovered in one week.

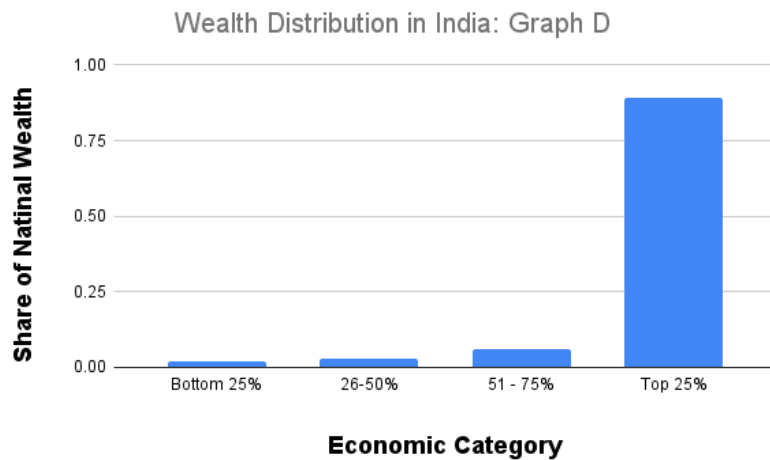
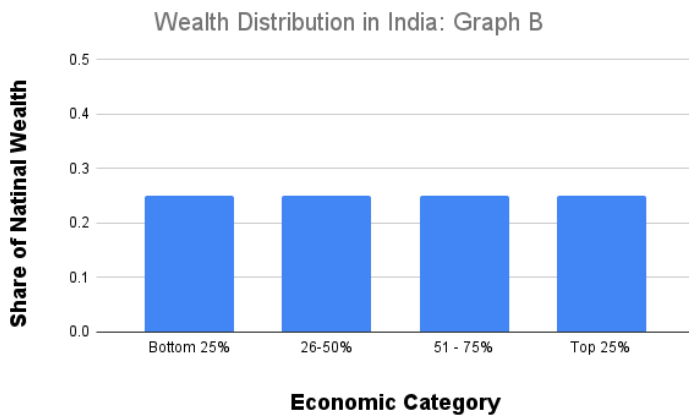
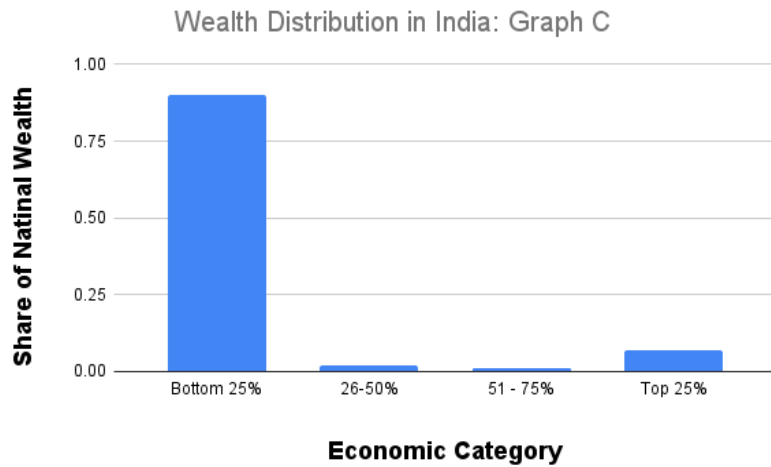
Section 4: Analytical

1. Data on crime against women in India is:

- a) Over-reported, but under-recorded. This is because women typically report both actual and false incidents of crime, but the police register only the actual ones.
- b) Over-reported, and thus, over-recorded. This is because women typically report both actual and false incidents of crime, but the police are legally bound to register all cases that are reported.
- c) Under-recorded, but not under-reported. This is because all the crimes against women are reported, but not all of them are registered by the police.
- d) Under-reported as well as under-recorded. This is because women are neither encouraged to report crimes against them, nor do the police register all the reported crimes against women.

2. The following graphs show four possible distributions of wealth in India. That is, the share of total wealth held by the rich and the poor





Which of the above graphs provides a relatively accurate description of Indian reality?

- a) Graph A
- b) Graph B
- c) Graph C
- d) Graph D

3. "On the 26th of January 1950, we are going to enter into a life of contradictions," said Ambedkar. "In politics, we will have equality, and in social and economic life, we will have inequality. In politics, we will be recognizing the principle of one man, one vote and one vote, one value. In our social and economic life, we shall, by reason of our social and economic structure, continue to deny the principle of one man, one value." (Source: Constituent Assembly of India Debates (Proceedings), Vol. 11:576.)

The central claim of the passage is that:

- a) Political systems can ensure fairness for all citizens, while economic and social systems cannot.
- b) Politics in India can ensure fairness for all men, but not for women.
- c) Votes of people who are at the bottom of inequality, should matter more as opposed to those who are at the top. That is, votes must be differently weighted.
- d) Even if each vote has equal weights, due to social and economic inequality, not all voters are equal.

4. The India Lights platform shows light output at night for 20 years for 600,000 villages across India. Each point on the map represents the light output of a specific village at a given point in time. This data is used to provide an estimate of economic activity. A researcher observes that region A has more lights than region B. Which of the following statements is certainly true?

- a) Region B has less industries than region A.
- b) Region B is a rural area.
- c) Region A has an election coming up soon.
- d) Region B has more crime than region A.

5. The State of Working India 2023 report finds as husband's income rises, women are less likely to work. In urban areas, after the husband's income crosses ₹40,000 per month, the chance of the wife working increases again. Which of the following statements is certainly true?

- a) Husbands earning more than 40,000 rupees are more progressive, therefore they allow their wives to participate in the labour market.
- b) There is a U-shaped relationship between women working and husband's income.
- c) There is an inverted-U-shaped relationship between women working and husband's income.
- d) There is a U-shaped relationship between gender norms and household income.

Section 5: Short Answer

Instructions

- Please respond to the questions given below in **500 words**.

In September 2022, Rajasthan government implemented Indira Gandhi Shehari Rozgar Guarantee Yojana (IRGY) - a scheme to ensure and guarantee urban employment.

1. Use economic theory to predict what will happen to the wages in the labour market as a result of this policy?
2. What may be some unintended consequences of the policy? Explain how you came to this conclusion.

Instructions

- Please respond to the question given below in **500 words**.

In May 2023, farmers in Maharashtra were throwing away the tomatoes they produced, as the market prices were not enough to cover even the production costs. Within two months, the price of tomatoes exceeded ₹150 per kg. How can such a large fluctuation in price of a good be possible in such a short span of time?

Instructions

- Please respond to the questions given below in **500 words**.

At Azim Premji University, we observe that students coming from the same state are friends with students coming from a different state.

1. Why do you think this can be good for learning?
2. How do you think this can prevent learning?