

National Testing Agency

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Course in Business Economics Macro

Group Number : 1
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Course in Business Economics Macro

Section Id : 709597383
Section Number : 1
Section type : Online
Mandatory or Optional: Mandatory
Number of Questions: 100
Number of Questions to be attempted: 100
Section Marks: 100
Display Number Panel: Yes
Group All Questions: No

Sub-Section Number: 1
Sub-Section Id: 709597483
Question Shuffling Allowed : Yes

Question Number : 1 Question Id : 70959726935 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Macro economics is the study of _____.

- Aggregates
- Agents
- Elements
- Total

Question Number : 2 Question Id : 70959726936 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----can be defined as the income not spent on consumption?

- a. Interest
- b. Investment
- c. Saving
- d. Nominal interest

Question Number : 3 Question Id : 70959726937 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

'Macroeconomic paradox' was introduced by _____.

- a. Prof. J. S. Mill
- b. Prof. J. B. Say
- c. Prof. Boulding
- d. Prof. Keynes

Question Number : 4 Question Id : 70959726938 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Economics as "a science of scarcity" was defined by _____

- a. Prof. Paul.
- b. Samuelson
- c. Prof. Lionel Robbins
- d. Prof. Hicks

Question Number : 5 Question Id : 70959726939 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The macroeconomic theory is classified into _____.

- a. Static Macroeconomics
- b. Comparative static macroeconomics
- c. Dynamic Macroeconomics
- d. All of the above

Question Number : 6 Question Id : 70959726940 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

It occurs during periods of slow economic growth or during periods of economic contraction.

- a. Classical unemployment
- b. Frictional unemployment
- c. Structural unemployment
- d. Cyclical unemployment

Question Number : 7 Question Id : 70959726941 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the given condition is considered under macroeconomics

- a. consumption + Investment
- b. demand + supply+ rate of interest
- c. savings+ borrowing
- d. consumption+ investments + government expenditure

Question Number : 8 Question Id : 70959726942 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The real Gross National Product (GNP) refers to the value of all the production at the _

- a. Current year prices
- b. Base year prices
- c. Both
- d. Real and nominal prices

Question Number : 9 Question Id : 70959726943 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the following is not considered as an area of study under macroeconomics?

- a. Monetary problems
- b. Consumer's behavior
- c. Fiscal policy
- d. Socio-economic problems

Question Number : 10 Question Id : 70959726944 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Studying of National Income is important -----

- a. To observe the economic development of the country.
- b. To determine the developmental objectives.
- c. To understand the contribution of the various sectors of the economy to National Income.
- d. All of the above

Question Number : 11 Question Id : 70959726945 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The greater the disparities in income, the ----- will be the average propensity to consume

- a. Higher
- b. Lower
- c. Equal
- d. None of the above

Question Number : 12 Question Id : 70959726946 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

“An Inquiry into the Nature and Causes of Wealth of Nations” was written by

- _____.
- a. Adam Smith
 - b. David Ricardo
 - c. J. B. Say
 - d. J.M. Keynes

Question Number : 13 Question Id : 70959726947 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The three sector model is based on _____

- a. Open economy
- b. Capitalist economy
- c. Closed economy
- d. Mixed economy

Question Number : 14 Question Id : 70959726948 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

“National income is that part of objective income of the community, including of course income derived from abroad which can be measured in money” defined by _____.

- a. Prof. Marshall
- b. Prof. Pigou
- c. Prof. Fisher
- d. Prof. Kuznet

Question Number : 15 Question Id : 70959726949 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which difficulty is considered as practical difficulty to measure national income.

- a. Presence of non monetized sector
- b. Problems due to the definition
- c. Monetary value of goods and services
- d. Changes in prices of goods and services

Question Number : 16 Question Id : 70959726950 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

‘The method of study used in macroeconomics is general equilibrium analysis’ this was stated by _____.

- a. Prof. Alfred Marshall
- b. Prof. Leon Walras
- c. Prof. Robertson
- d. Prof. Hawtrey

Question Number : 17 Question Id : 70959726951 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Reserve money is also known as _____.

- a. Narrow money
- b. Broad money
- c. High powered money
- d. Paper money

Question Number : 18 Question Id : 70959726952 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which instrument has the least liquid ability to get converted into cash?

- a. M1
- b. M2
- c. M3
- d. M4

Question Number : 19 Question Id : 70959726953 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The use of _____ reduces transaction costs, improves economic efficiency, can be drawn for large amounts etc.

- a. Plastic money
- b. Cheque
- c. Commodity money
- d. Paper money

Question Number : 20 Question Id : 70959726954 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

John Maynard Keynes first formulated theory of money demand published in

_____.

- a. 1930
- b. 1934
- c. 1936
- d. 1944

Question Number : 21 Question Id : 70959726955 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Net national product is :

- a. GNP/Taxes
- b. GNP* Taxes
- c. GNP - Depreciation
- d. GNP + Depreciation

Question Number : 22 Question Id : 70959726956 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the following is the correct form?

- a. GNP = Gross Net Production
- b. NNP = Net National Product
- c. N.I = German Democratic Production
- d. GNP= Gross Nation's Production

Question Number : 23 Question Id : 70959726957 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Consumers wants to get more and more satisfied, at ----- levels of income

- a. Lower
- b. Higher
- c. Decrease
- d. None of the above

Question Number : 24 Question Id : 70959726958 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the following is not a macroeconomic theory?

- a. Theory of Income and employment
- b. Consumer Choice theory
- c. Innovation theory
- d. Philips curve

Question Number : 25 Question Id : 70959726959 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The term MPC and MPS was introduced by_____.

- a. Prof J.S. Mill
- b. Prof. Samuelson
- c. Prof. J. M. Keynes
- d. Prof. Meyers

Question Number : 26 Question Id : 70959726960 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Supply of money effectively works in the _____policy of the country.

- a. Public
- b. Monetary
- c. Bank
- d. Growth and development

Question Number : 27 Question Id : 70959726961 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The sum of currency and demand-deposits of banks including the RBI is known as_____.

- a. Narrow money
- b. Ordinary money
- c. Nominal money
- d. High powered money

Question Number : 28 Question Id : 70959726962 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which can be easily used as a medium of exchange and making payments for transactions.

- a. M1
- b. M2
- c. M3
- d. M4

Question Number : 29 Question Id : 70959726963 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The relationship between the monetary base and money supply economy denotes as

_____.

- a. Bank rate
- b. Money multiplier
- c. 1/reserve ratio
- d. B and C

Question Number : 30 Question Id : 70959726964 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Juglar discussed the business of trade cycles in his book "Des Crises

Commercials" in _____.

- a. 1776
- b. 1830
- c. 1836
- d. 1860

Question Number : 31 Question Id : 70959726965 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The psychological theory of business cycle is developed by a renowned economist_____.

- a. Samuelson
- b. William Hershel & Stanley Jevons
- c. A.C. Pigou
- d. Hicks

Question Number : 32 Question Id : 70959726966 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which inflation arises due to various factors like rising income, population explosion, etc.

- a. Cost-push inflation
- b. Demand-pull inflation
- c. Sectoral inflation
- d. Anticipated inflation

Question Number : 33 Question Id : 70959726967 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Who will get the maximum benefit from inflation?

- a. Creditor
- b. Debtors
- c. The entrepreneurs
- d. Holder of real estate

Question Number : 34 Question Id : 70959726968 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The term stagflation refers to

- a. Increase in inflation
- b. Increase in unemployment
- c. Increase in both inflation and unemployment
- d. Increase in inflation and decrease in unemployment

Question Number : 35 Question Id : 70959726969 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Increase in the rate of inflation due to increase in unnecessary increase in production of goods and services is called as

- a. Cost push inflation
- b. Wage push inflation
- c. Profit push inflation
- d. All of the above

Question Number : 36 Question Id : 70959726970 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Quantity theory of money is part of -----

- a. microeconomics
- b. Banking
- c. macroeconomics
- d. growth and development

Question Number : 37 Question Id : 70959726971 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Dynamic Macroeconomics is developed by -----

- a. Frisch
- b. Henry George
- c. John Maynard Keynes
- d. Michael Porter

Question Number : 38 Question Id : 70959726972 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

----- is caused by the deficiency of effective demand.

- a. Inflation
- b. Deflation
- c. Unemployment
- d. Consumption

Question Number : 39 Question Id : 70959726973 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the given theory is not considered under macroeconomics-----

- a. Consumption Theory
- b. Elasticity of demand
- c. Monetary Theory
- d. business cycle Theory

Question Number : 40 Question Id : 70959726974 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Macroeconomics deals with -----

- a. problems of balance of payments
- b. problems of determination of national income
- c. both a & b correct
- d. both a & b incorrect

Question Number : 41 Question Id : 70959726975 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The study of macroeconomic deals with -----

- a) Firms and consumers
- b) Price indices
- c) Resource allocation
- d) Consumer behaviour

Question Number : 42 Question Id : 70959726976 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Real National income/ Size of the population is

- a. Personal income
- b. Per capita income
- c. Per capita real income
- d. None of the above

Question Number : 43 Question Id : 70959726977 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----is the income left in the hands of the people after paying the direct taxes.

- a. Private income
- b. Personal income
- c. National income
- d. Disposable income

Question Number : 44 Question Id : 70959726978 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the following is not a part of national income?

- a. Interest on national debt
- b. Rent
- c. Wages and salaries
- d. Profits

Question Number : 45 Question Id : 70959726979 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

While estimating national income which of the following is not taken into account?

- a. Services of teacher
- b. Services of a doctor
- c. Services of a maid servant
- d. Services of women who works at home

Question Number : 46 Question Id : 70959726980 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The Main difference between Gross Domestic Product (GDP) and Gross National Product (GNP) is

- a. Transfer payments
- b. Net factor income from abroad
- c. Consumption expenditure
- d. Capital gains

Question Number : 47 Question Id : 70959726981 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Who had estimated national income in India first?

- a. D.R.Gadgil
- b. V.K.R.V. Rao
- c. DadabhaiNaoroji
- d. R.C.Dutt

Question Number : 48 Question Id : 70959726982 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

_____ method is mostly followed in practice for measuring national income

- a. Product method
- b. Income method
- c. Expenditure method
- d. All of the above

Question Number : 49 Question Id : 70959726983 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Inflation is generally measured by taking -----as the base.

- a. NNP
- b. GNP
- c. the Whole Sale Price Index
- d. GDP

Question Number : 50 Question Id : 70959726984 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

When prices of goods and services are gently rising, it is referred to as-----

- a. Chronic inflation
- b. Creeping Inflation
- c. Galloping inflation
- d. Deflation

Question Number : 51 Question Id : 70959726985 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

When there is high inflation in the economy, how will it affect the supply of money in the economy

- a. Increases
- b. Decreases
- c. Stable
- d. No effect

Question Number : 52 Question Id : 70959726986 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

----- is not a cause of inflation.

- a. Over expansion of money supply
- b. Over contraction of money supply
- c. Deficit financing
- d. Expansion of bank credit

Question Number : 53 Question Id : 70959726987 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----measure is a way to exercise direct control over prices.

- a. Rationing
- b. Changing interest rates
- c. Controlling wage rate
- d. All of the above

Question Number : 54 Question Id : 70959726988 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Aggregate demand price will increase as the -----expands and it will fall as the employment contracts

- a. Income
- b. Employment
- c. Supply
- d. None of the above

Question Number : 55 Question Id : 70959726989 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The minimum price or proceeds which will induce employment on a given scale is called the ----- of that amount of employment.

- a. Aggregate demand price
- b. Aggregate supply price
- c. Effective demand
- d. None of the above

Question Number : 56 Question Id : 70959726990 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

This assumption of classical economists that failed during 1929:

- a. Full employment
- b. Free market
- c. Perfect competition
- d. Supply creates own demand

Question Number : 57 Question Id : 70959726991 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

_____ indicates maintaining a right balance between the generation of revenue and expenditure for welfare so that the public exchequer can rightly balance its earnings

- a. Economic growth
- b. Full Employment
- c. Fiscal Stability
- d. Wealth Tax

Question Number : 58 Question Id : 70959726992 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

_____ is an inevitable tool for the government as it helps to allocate the economic resources in the best possible way.

- a. foreign Exchange Policy
- b. Fiscal Policy
- c. Monetary policy
- d. Trade policy

Question Number : 59 Question Id : 70959726993 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the following is not a tool used by the government through its Fiscal policy in order to fight inflation and bringing back economic stability :

- a. Tax
- b. Foreign Exchange policy
- c. Government Spending
- d. Public Borrowing

Question Number : 60 Question Id : 70959726994 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

This objective is related to the distribution of increased national income.

- a. Reduction in inequalities of income and wealth
- b. The rise in the rate of investment
- c. The rise in savings
- d. The rise in the nation's consumption

Question Number : 61 Question Id : 70959726995 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The fiscal policy focus on-----

- a. issues related to the management of resources
- b. Generation of revenue
- c. Effective deployment of public finance.
- d. All the above

Question Number : 62 Question Id : 70959726996 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The public expenditure do not consider ---

- a. power station
- b. schools
- c. private investment
- d. infrastructure facilities

Question Number : 63 Question Id : 70959726997 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The fiscal policy aims to reach a stage of stable economic growth through

- a. Effective tax policy
- b. Proper public expenditure
- c. Reducing public borrowing
- d. All of the above

Question Number : 64 Question Id : 70959726998 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The monetary policy is implemented by---

- a. The central bank
- b. The central government
- c. The state government
- d. The finance commission

Question Number : 65 Question Id : 70959726999 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Credit creation power of the commercial banks gets limited by which of the following?

- a. Banking habits of the people
- b. Cash reserve ratio
- c. Credit policy of the central bank
- d. All of the above

Question Number : 66 Question Id : 70959727000 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Marginal propensity to consume is always

- a. equal to one
- b. equal to zero
- c. less than one
- d. less than zero

Question Number : 67 Question Id : 70959727001 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The autonomous consumption is independent of income. This statement is -----

- a. False
- b. True
- c. Partially true
- d. Partially false

Question Number : 68 Question Id : 70959727002 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The entire part of increased income is spent on consumption.

- a. False
- b. True
- c. Partially False
- d. Partially True

Question Number : 69 Question Id : 70959727003 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The psychological Law of consumption developed by -----

- a. Prof.Samulson
- b. Prof. Keynes
- c. Prof. Duissenberry
- d. Prof. V.M. Deshmukh

Question Number : 70 Question Id : 70959727004 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The difference between narrow money and broad money.

- a. Coins and notes
- b. Saving deposits of banks
- c. Time deposits with the bank
- d. Rate of foreign exchange

Question Number : 71 Question Id : 70959727005 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Who is the main supplier of money

- a. RBI
- b. Commercial bank
- c. Government
- d. Public

Question Number : 72 Question Id : 70959727006 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

During growing unemployment, the government should be interested in -----the level of aggregate demand

- a. Decreasing
- b. Increasing
- c. Stabilizing
- d. Neutralizing

Question Number : 73 Question Id : 70959727007 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

----- is not one of the tools of fiscal policy

- a. CRR
- b. Automatic stabilizer
- c. Expansionary fiscal policy
- d. Contractionary fiscal policy

Question Number : 74 Question Id : 70959727008 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The classical economists believed in -----.

- a. Fiscal policy
- b. Monetary policy
- c. Laissez-faire policy
- d. Non tax policy

Question Number : 75 Question Id : 70959727009 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Supply creates its own demand was stated by-----.

- a. Keynes
- b. Say
- c. Mill
- d. Marshall

Question Number : 76 Question Id : 70959727010 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Study of Fiscal policy deals with----

- a. Microeconomics
- b. Macroeconomics
- c. Money and banking
- d. Public Finance

Question Number : 77 Question Id : 70959727011 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Automatic stabilization of fiscal policy consists-----

- a. Increase in public works
- b. Unemployment compensation
- c. Subsidies to farmers
- d. Progressive tax system

Question Number : 78 Question Id : 70959727012 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The government adopts a surplus budget when

- a. Revenue is less than spending
- b. Spending is more than public income
- c. Revenue is greater than public expenditure
- d. Revenue is exactly equal to the public expenditure

Question Number : 79 Question Id : 70959727013 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Monetary Policy involves -----

- a. Taxation and government spending.
- b. Management of money supply and interest rate.
- c. Both a and b
- d. Public expenditure

Question Number : 80 Question Id : 70959727014 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The Quantitative instruments of monetary policy is also called --

- a. Selective tools
- b. General tools
- c. Special tools
- d. Both a and b

Question Number : 81 Question Id : 70959727015 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----is the percentage of commercial bank's net demand and time liabilities which
the commercial banks have to maintain with the Central bank.

- a. CRR
- b. SLR
- c. Repo Rate
- d. Bank Rate

Question Number : 82 Question Id : 70959727016 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----is a selective tool of monetary policy which helps in restraining credit during inflationary periods.

- a. Credit rationing
- b. Moral Suasion
- c. Consumer Credit Regulation
- d. All of the above

Question Number : 83 Question Id : 70959727017 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----refers to the outright sale and purchase of government securities by Reserve Bank.

- a. Bank Rate
- b. Reverse Repo Rate
- c. Open Market operations
- d. Repo Rate

Question Number : 84 Question Id : 70959727018 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

----- refers to some percentage of reserves to be maintained in the form of gold or foreign securities.

- a. Bank rate
- b. SLR
- c. CRR
- d. Open market operation

Question Number : 85 Question Id : 70959727019 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Consumer credit regulation and publicity are the method of -----credit control.

- a. Quantitative
- b. Qualitative
- c. Monetary
- d. Bank

Question Number : 86 Question Id : 70959727020 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Any change in CRR and SLR affects the lending capacity of -----

- a. Central bank
- b. Commercial bank
- c. International bank
- d. EXIM bank

Question Number : 87 Question Id : 70959727021 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

State of persistent and substantial fall in prices is called -----

- a. Inflation
- b. Deflation
- c. Recession
- d. Decline

Question Number : 88 Question Id : 70959727022 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Depressionary economics was proposed by

- a. Adam Smith
- b. Alfred Marshal
- c. Milton Friedman
- d. John Maynard Keynes

Question Number : 89 Question Id : 70959727023 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which of the following is not the function of the commercial bank?

- a. Issuing of plastic money.
- b. Acceptance of deposits
- c. Advancing loans
- d. Credit control

Question Number : 90 Question Id : 70959727024 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Which one is the primary function of commercial bank?

- a) Receiving deposit
- (b) Controlling loan
- (c) Issuing note
- (d) Leading the money market

Question Number : 91 Question Id : 70959727025 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The total stock of money in form of paper notes, coins and demand deposit of bank in circulation which is held by the public at any particular point of time.

- a. Supply of money
- b. Stock of money
- c. Credit money
- d. A and B

Question Number : 92 Question Id : 70959727026 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The deposits that are created by customers by depositing cash, draft of cheques is called

- a. Primary deposits
- b. Derivative deposits
- c. Active deposits
- d. All of the above

Question Number : 93 Question Id : 70959727027 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

What is the Paradox of thrift.

- a) Higher saving rates lead to reduced output.
- b) Higher real wages lead to higher profit rates.
- c) Government deficits raise private profits.
- d) Efforts to de- leverage might lead to higher leverage ratios.

Question Number : 94 Question Id : 70959727028 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

What is Paradox of public deficits?

- a) Efforts to de- leverage might lead to higher leverage ratios.
- b) Stability is destabilizing
- c) Higher real wages lead to higher profit rates.
- d) Government deficits raise private profits.

Question Number : 95 Question Id : 70959727029 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

-----is a type of investment which influences the demand?

- a. Autonomous investment
- b. Induced investment
- c. Ownership investment
- d. Lending investment

Question Number : 96 Question Id : 70959727030 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

When the marginal efficiency of capital, as well as interest rate, is not equal, then this situation is called -----

- a. Neutral
- b. Favorable
- c. Unfavorable
- d. All (a) , (b), (c)

Question Number : 97 Question Id : 70959727031 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

Money made up of precious metals will be included in which category _____.

- a) Bank Money
- b) Paper Money
- c) Plastic money
- d) Commodity Money

Question Number : 98 Question Id : 70959727032 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The principle of accelerator assumes:

- a) The marginal propensity to consume is constant
- b) The economy is at full employment
- c) There is a constant relationship between net investment and the rate of change of output
- d) The multiplier is constant

Question Number : 99 Question Id : 70959727033 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

When entrepreneurs expect high returns then the marginal efficiency of capital is---

- a. high
- b. low
- c. negative
- d. positive

Question Number : 100 Question Id : 70959727034 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 1 Wrong Marks : 0

The technological advancements open doors for investments and thus increasing the marginal efficiency of capital in-----.

- a. short run
- b. very short run
- c. long run
- d. two years