

PREVIEW QUESTION BANK(Single)

Module Name : NCET Language: ENGLISH
 Section Name : 309-Economics Business Economics
 Exam Date : 29-Apr-2025 Batch : 15:00-18:00

Sr. No.	Client Question ID	Question Body and Alternatives	Marks	Ne M
Section : 309-Economics Business Economics				
Topic : Topic 92				
Q.Type : Objective Question				
1	6173	Identify the correct statement from the following : (1) Study of level of employment is a subject matter of microeconomics. (2) Study of determination of market price of a good is done under macroeconomics. (3) Study of rise in the general price level is a subject matter of macroeconomics. (4) The total output of a particular industry is a subject matter of macroeconomics. (A) 1 (B) 2 (C) 3 (D) 4	4.0	
Q.Type : Objective Question				
2	6174	In an economy, the opportunity cost of increasing the production of good X from 2 units to 3 units is 5 units of good Y. On the basis of the above, identify the correct statement : (1) 5 units of good Y are needed to produce 2 units of good X. (2) 5 units of good Y are sacrificed to produce 3 units of good X. (3) 3 units of good X are needed to produce 5 units of good Y. (4) 5 units of good Y are sacrificed to produce one additional unit of good X. (A) 1 (B) 2 (C) 3 (D) 4	4.0	
Q.Type : Objective Question				
3	6175	A consumer exhibits monotonic preferences. Which of the following bundles will provide him with maximum satisfaction ? (1) (2, 3) (2) (1, 2) (3) (3, 2) (4) (3, 3) (A) 1 (B) 2	4.0	

		(C) 3 (D) 4	
Q.Type : Objective Question			
4	6176	A consumer consumes two goods X and Y whose prices are P_x and P_y respectively. When will she be considered to be in equilibrium according of ordinal utility analysis ? (1) $\frac{\Delta Y}{\Delta X} = \frac{P_x}{P_y}$ (2) $\frac{\Delta Y}{\Delta X} = \frac{P_y}{P_x}$ (3) $\frac{\Delta Y}{\Delta X} = \frac{MU_x}{MU_y}$ (4) $\frac{\Delta Y}{\Delta X} = \frac{MU_y}{MU_x}$ (A) 1 (B) 2 (C) 3 (D) 4	4.0
Q.Type : Objective Question			
5	6177	The production function of a firm is given by $300 = f(20, 4)$. The producer decides to increase the employment level of both the factors to 40 and 8 respectively. Which of the following outputs represent constant returns to scale for this firm ? (1) 300 (2) 400 (3) 500 (4) 600 (A) 1 (B) 2 (C) 3 (D) 4	4.0
Q.Type : Objective Question			
6	6178	Which of the following statements is true about short run costs ? (1) Total cost and average cost curves are parallel to each other. (2) Average cost and average variable cost curves are parallel to each other. (3) Total cost and total variable cost curves are parallel to each other. (4) Total variable cost and marginal cost curve are parallel to each other. (A) 1 (B) 2 (C) 3	4.0

(D) 4

Q.Type : Objective Question

7	6179	Identify the correct statement for perfectly competitive market. (1) Average revenue and marginal revenue are parallel to each other. (2) Marginal revenue is equal to price. (3) Marginal revenue is always less than average revenue. (4) Total revenue curve is parallel to x-axis. (A) 1 (B) 2 (C) 3 (D) 4	4.0
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Q.Type : Objective Question

8	6180	From the following, identify the situation where the elasticity of supply for an upward sloping straight line supply curve will be equal to unity. (1) Supply curve passes through y-axis and makes an angle of 45° with x-axis. (2) Supply curve passes through x-axis and makes an angle of 45° with y-axis. (3) Supply curve passes through origin. (4) The straight line supply curves are unitary elastic. (A) 1 (B) 2 (C) 3 (D) 4	4.0
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Q.Type : Objective Question

9	6181	The supply curve of a good is given by $Q_s = 200 + 10p$, where Q_s is quantity supplied and 'p' is the price of the good. What will be the price elasticity of supply, when price increases from Rs. 20 to Rs. 30 ? (1) 0.5 (2) 1.0 (3) 5.0 (4) 10.0 (A) 1 (B) 2 (C) 3 (D) 4	4.0
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Q.Type : Objective Question

10	6182		4.0
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		The market for a good is in equilibrium. The demand for the good decreases and supply of the good increases in the same proportion simultaneously, which of the following will be definite effect ? (1) Equilibrium price remains unchanged (2) Equilibrium quantity remains unchanged (3) Equilibrium price increases (4) Equilibrium quantity decreases (A) 1 (B) 2 (C) 3 (D) 4	
Q.Type : Objective Question			
11	6183	If for an economy, Net National Product at factor cost is ₹ 5000 crores, net current transfers from abroad is ₹ 600 crores and net indirect taxes are ₹ 250 crores, what will be the value of National Deposable Income ? (1) ₹ 5000 crores (2) ₹ 5250 crores (3) ₹ 5600 crores (4) ₹ 5850 crores (A) 1 (B) 2 (C) 3 (D) 4	4.0
Q.Type : Objective Question			
12	6184	Which of the following is NOT true about depreciation ? (1) It is also known as capital loss. (2) It occurs due to regular wear and tear of capital stock. (3) It is the difference between gross investment and net investment. (4) It is a flow variable. (A) 1 (B) 2 (C) 3 (D) 4	4.0
Q.Type : Objective Question			
13	6185		4.0

		If the banking system of an economy are able to create a total credit of ₹ 10 lakh from initial deposits of ₹ 2 lakh. What is the value of CRR ? (1) 5% (2) 10% (3) 20 % (4) 25% (A) 1 (B) 2 (C) 3 (D) 4	
Q.Type : Objective Question			
14	6186	Identify the INCORRECT statement from the following : (1) Central Bank is also known as lender of the last resort. (2) Open market operations is qualitative tool used by the Reserve Bank of India to control credit. (3) Bank rate is a quantitative tool used by RBI to control credit. (4) Margin requirement is a qualitative tool for controlling credit. (A) 1 (B) 2 (C) 3 (D) 4	4.0
Q.Type : Objective Question			
15	6187	Find the value of MPC (Marginal Propensity to Consume) for an economy whose consumption function is parallel to the 45° line of reference. (1) 0 (2) 1 (3) ∞ (infinity) (4) -1 (A) 1 (B) 2 (C) 3 (D) 4	4.0
Q.Type : Objective Question			
16	6188	If proportional change in income is equal to proportional change in consumption, then which of the following will be true ? (1) $MPC = 1$ (2) $APC = 1$ (3) $MPC = APC$ (4) $MPC = 0$	4.0

		(A) 1	
		(B) 2	
		(C) 3	
		(D) 4	

Q.Type : Objective Question

17	6189	In an economy dealing with inflationary pressures which of the following will be adopted by the government ? (1) Surplus budget (2) Balanced budget (3) Deficit budget (4) Excessive borrowing (A) 1 (B) 2 (C) 3 (D) 4	4.0
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Q.Type : Objective Question

18	6190	Identify the correct statement from the following : (1) Cash grant-in-aid from abroad are capital receipts of the government. (2) Capital receipts create liability for the government. (3) Interest payments on debts are capital expenditures of the government. (4) Capital Expenditures reduce assets of the government. (A) 1 (B) 2 (C) 3 (D) 4	4.0
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Q.Type : Objective Question

19	6191	Which of the following statement is true regarding foreign exchange market ? (1) An increase in demand for foreign currency leads to depreciation of domestic currency. (2) The increase in supply of foreign currency leads to appreciation of foreign currency. (3) Increase in demand for imports leads to increase in supply of foreign currency. (4) Depreciation of domestic currency leads to decrease in exports of the economy. (A) 1 (B) 2 (C) 3 (D) 4	4.0
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20	6192	If a German resident buys an Indian garments company, how will the above transaction be recorded in the balance of payments account ? (1) Current account, debit side (2) Current account, credit side (3) Capital account, debit side (4) Capital account, credit side (A) 1 (B) 2 (C) 3 (D) 4	4.0
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21	6193	Market for a good is in equilibrium at price 'P_0' and quantity 'Q_0'. There is an increase in supply of the good, demand remaining unchanged. Identify the correct sequence of events that will take place in the market to reach the new equilibrium (P_1, Q_1). (A) There is excess supply at P_0 (B) Price starts falling (C) Supply curve shifts to the right (D) New equilibrium is attained where $P_1 < P_0$ and $Q_1 > Q_0$ (E) Fall in price leads to extension in demand and contraction in supply Choose the correct answer from the options given below : (1) (A), (B), (C), (D), (E) (2) (A), (C), (E), (B), (D) (3) (C), (A), (B), (E), (D) (4) (C), (A), (E), (B), (D) (A) 1 (B) 2 (C) 3 (D) 4	4.0
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22	6194	If ex-ante demand in an economy falls short of ex-ante supply, identify the correct sequence in which changes will take place to reach equilibrium level of income. (A) Stocks start piling up in the warehouses (B) Production falls leading to fall in income (C) Both AD and AS fall till they become equal and reach equilibrium (D) To maintain desired level of stock, producers plan to reduce production Choose the correct answer from the options given below : (1) (A), (B), (D), (C) (2) (B), (A), (C), (D) (3) (A), (D), (B), (C) (4) (B), (A), (D), (C) (A) 1	4.0
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(B) 2

(C) 3

(D) 4

Q.Type : Objective Question

23 6195

4.0

Match List - I with List - II.

List - I

- (A) Slope of Indifference curve
- (B) Slope of budget line
- (C) Equation of Budget set
- (D) Equation of budget line

List - II

- (I) $P_1 \cdot X_1 + P_2 \cdot X_2 = M$
- (II) Marginal rate of substitution
- (III) $P_1 \cdot X_1 + P_2 \cdot X_2 \leq M$
- (IV) Ratio of prices

Choose the **correct** answer from the options given below :

- (1) (A)-(II), (B)-(IV), (C)-(III), (D)-(I)
- (2) (A)-(II), (B)-(IV), (C)-(I), (D)-(III)
- (3) (A)-(IV), (B)-(II), (C)-(III), (D)-(I)
- (4) (A)-(IV), (B)-(II), (C)-(I), (D)-(III)

(A) 1

(B) 2

(C) 3

(D) 4

Q.Type : Objective Question

24 6196

4.0

Match List - I with List - II.

List - I

- (A) Dirty floating
- (B) Above the line items
- (C) Balance of Payment deficit
- (D) 'Below the line' items

List - II

- (I) Official reserve sale
- (II) Accomodating transactions
- (III) Managed floating
- (IV) Autonomous items

Choose the **correct** answer from the options given below :

- (1) (A)-(III), (B)-(II), (C)-(IV), (D)-(I)
- (2) (A)-(I), (B)-(II), (C)-(III), (D)-(IV)
- (3) (A)-(III), (B)-(IV), (C)-(II), (D)-(I)
- (4) (A)-(III), (B)-(II), (C)-(IV), (D)-(I)

(A) 1

(B) 2

(C) 3

(D) 4

Q.Type : Objective Question

25 6197

4.0

Match List - I with List - II.

List - I

List - II

- | | |
|------------------------|---|
| (A) Intermediate goods | (I) Production |
| (B) Final goods | (II) Money Supply |
| (C) Stock | (III) X-Ray Machine purchased by Hospital |
| (D) Flow | (IV) Bread purchased by restaurant |

Choose the **correct** answer from the options given below :

- (1) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
- (2) (A)-(III), (B)-(I), (C)-(II), (D)-(IV)
- (3) (A)-(II), (B)-(III), (C)-(I), (D)-(IV)
- (4) (A)-(I), (B)-(II), (C)-(III), (D)-(IV)

(A) 1

(B) 2

(C) 3

(D) 4

Q.Type : Objective Question

26 6198

Identify the determinants of demand for a good from the following.

- (A) Price of substitute goods
- (B) Income level of the consumer
- (C) Availability of substitutes
- (D) Expected change in prices in future

Choose the **correct** answer from the options given below :

- (1) (A), (B) and (C) Only
- (2) (B), (C) and (D) Only
- (3) (A), (B) and (D) Only
- (4) (A), (C) and (D) Only

(A) 1

(B) 2

(C) 3

(D) 4

4.0

Q.Type : Objective Question

27 6199

Identify the correct statements from the following.

- (A) Price ceiling is adopted to help the consumers.
- (B) Price floor leads to shortage in the market.
- (C) Black market results due to price ceiling.
- (D) Price floor is also called maximum support price.
- (E) Price floor leads to excess supply in the market.

Choose the **correct** answer from the options given below :

- (1) (B), (D) and (E) Only
- (2) (A), (C) and (D) Only
- (3) (B), (C) and (E) Only
- (4) (A), (C) and (E) Only

4.0

		(A) 1	
		(B) 2	
		(C) 3	
		(D) 4	
Q.Type : Objective Question			
28	6200	Identify the correct statements from the following. (A) Money acts as a unit of account. (B) Barter system suffers from lack of double coincidence of wants. (C) Currency with the Central bank is a part of money supply in the economy. (D) Commercial banks issue currency in the economy. Choose the correct answer from the options given below : (1) (A) and (B) Only (2) (B) and (C) Only (3) (C) and (D) Only (4) (A) and (D) Only (A) 1 (B) 2 (C) 3 (D) 4	4.0