

Question ID

Question Type

12038

MCQ

Question

Options

A

B

C

D

Suppose, the price elasticity of demand for a good is -0.4. How will the demand for this good be affected if there is an increase in its price by 5%.

1. Increase by 2%

2. Decrease by 2%

3. Increase by 12.5%

4. Decrease by 12.5%

1

2

3

4

Question ID

Question Type

12039

MCQ

Question

Options

A

B

C

D

Match the LIST-I with LIST-II

LIST-I		LIST-II	
A.	Giffen Goods	I.	Tea and Coffee
B.	Substitute Goods	II.	Substitution effect > Income effect
C.	Normal Goods	III.	Income effect > Substitution effect
D.	Complementary Goods	IV.	Car and Petrol

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

1. A-III, B-IV, C-II, D-I

2. A-II, B-IV, C-III, D-I

3. A-II, B-I, C-III, D-IV

4. A-III, B-I, C-II, D-IV

1

2

3

4

Question ID

Question Type

12042

MCQ

Question

Options

A

B

C

Let the production function of a firm be $Q = 5L^{1/2}K^{1/2}$. Find out the maximum possible output that the firm can produce with 16 units of capital and 25 units of labor.

1. 100

2. 2000

3. 500

4. 1000

1

2

3

Question ID	12045
Question Type	MCQ
Question	Arrange the following statements regarding the relationship between AVC and SMC in correct sequence starting with low to high level of output. A. SMC curve cuts AVC curve at its minimum point. B. In a graph, output is measured along the horizontal axis and AVC and SMC along the vertical axis. C. AVC is rising and SMC is greater than AVC and SAC is still falling. D. AVC is falling and SMC is less than AVC. E. The gap between SMC and AVC is increasing more after the minimum point of SAC, and all SMC, AVC and SAC are rising. Choose the correct answer from the options given below: 1. A, D, B, C, E 2. A, B, E, C, D 3. B, D, A, C, E 4. B, D, C, A, E
Options	
A	1
B	2
C	3
D	4

Question ID	12046
Question Type	MCQ
Question	A perfectly competitive firm maximises its profit in short run at the output level where: 1. SMC is decreasing 2. $P \geq AVC$ 3. $P < SMC$ 4. $P > SMC$
Options	
A	1
B	2
C	3
D	4

Question ID	12047
Question Type	MCQ
Question	A firm earns a revenue of Rs 50 when market price of a good is ₹10. The revenue increases to Rs. 300, when price increases to Rs. 15. Calculate price elasticity of supply of the firm. 1. 0.4 2. 6 3. 0.1 4. 0.16
Options	
A	1
B	2
C	3
D	4

Question ID	12048
Question Type	MCQ

Suppose, the demand and supply functions of pens are given by:

$$q^D = 4000 - p, q^S = p/4$$

The equilibrium price and quantity in this case will be:

1. ₹1600 and 800 units
2. ₹1600 and 400 units
3. ₹3200 and 400 units
4. ₹3200 and 800 units

Question

Options

A	1
B	2
C	3
D	4

Question ID 12050

Question Type MCQ

A simultaneous increase in demand and supply (rightward shifts) will have a new equilibrium at:

- A. higher price and larger quantity
- B. reduced price and larger quantity
- C. same price and lesser quantity
- D. same price and higher quantity
- E. reduced price and same quantity

Question

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

1. A, B Only
2. A, B, C Only
3. A, B, D Only
4. C, D, E Only

Options

A	1
B	2
C	3
D	4

Question ID 12053

Question Type MCQ

Which of the following are included to calculate the value of GDP?

1. Profits earned by an entrepreneur
2. Pension paid by the government to its citizens
3. Cost of second hand car
4. Loss of fishermen due to sewage dumpage by a firm

Question

Options

A	1
B	2
C	3
D	4

Question ID 12057

Question Type MCQ

Which of the following is **NOT** a limitation of using GDP as an index of welfare of a country?

1. Distribution/Uniformity of GDP
2. Externalities
3. Total income generated in a year

Question

3. Total income generated in a year
4. Non-monetary exchanges

Options

- A 1
- B 2
- C 3
- D 4

Question ID 12058

Question Type MCQ

Match the **LIST-I** with **LIST-II**

LIST-I		LIST-II	
A.	GDP_{FC}	I.	$GDP_{MP} + NFIA$
B.	NNP_{MP}	II.	$GDP_{MP} - NIT$
C.	NDP_{FC}	III.	$GDP_{MP} - \text{Depreciation} + NFIA$
D.	GNP_{MP}	IV.	$GDP_{MP} - \text{Net taxes} - \text{Depreciation}$

Question

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

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

Options

- A 1
- B 2
- C 3
- D 4

Question ID 12059

Question Type MCQ

Which of the following is **NOT** a function of money?

Question

1. Unit of Account
2. Barter Exchange
3. Store of Value
4. Medium of Exchange

Options

- A 1
- B 2
- C 3
- D 4

Question ID 12064

Question Type MCQ

Which one of the following statements is correct?

Question

1. $M2 = \text{Currency} + DD + \text{savings deposits with Post office}$
2. $M2 = M1 + \text{Net time deposits}$
3. $M3 = M2 + \text{Net time deposits}$
4. $M4 = M3 + M2 + M1$

Options

- A 1
- B 2
- C 3
- D 4

Question ID	12067
Question Type	MCQ
Question	Which of the following are policy tools used by Central Bank to control money supply? A. Changing Tax rates B. Changing Bank rate C. Open Market Operation D. Changing Cash Reserve ratio (CRR) E. Changing Government expenditure on infrastructure Choose the correct answer from the options given below: 1. C and D Only 2. A, C and D Only 3. B, C, D and E Only 4. B, C and D Only
Options	
A	1
B	2
C	3
D	4

Question ID	12069
Question Type	MCQ
Question	Which of the following does not describe marginal propensity to consume (MPC)? 1. It is change in consumption per unit change in income 2. $MPC = 1 - c$ 3. $0 < MPC < 1$ 4. Higher the MPC, higher is the induced consumption
Options	
A	1
B	2
C	3
D	4

Question ID	12070
Question Type	MCQ
Question	In a two sector economy, if the autonomous investment and consumption expenditure is Rs.70 crores, MPS is 0.2 and level of income is Rs. 6000 crores, calculate the level of ex-ante aggregate demand? 1. Rs. 4940 crores 2. Rs. 1340 crores 3. Rs. 1270 crores 4. Rs. 4870 crores
Options	
A	1
B	2
C	3
D	4

Question ID	12071
Question Type	MCQ
Question	Public goods are: 1. rival and excludable 2. non-rival and excludable

2. non-rival and excludable
3. non rival and non excludable
4. rival and non excludable

Options

A	1
B	2
C	3
D	4

Question ID 12072
Question Type MCQ

Question

Which one of the following is **NOT** the main functions of the government budget?

1. Allocative in nature
2. Redistributive in nature
3. Responsible for reducing interest payments
4. Stabilising in nature

Options

A	1
B	2
C	3
D	4

Question ID 12073
Question Type MCQ

Question

Accommodating transactions are determined by the gap in the balance of payment. These transactions are also known as:

1. 'Above the line' items in BOP
2. 'Below the line' items in BOP
3. Portfolio investment
4. External Commercial Borrowing

Options

A	1
B	2
C	3
D	4

Question ID 12074
Question Type MCQ

Question

Arrange the following statements in correct sequence explaining the impact of an increase in demand for imports on foreign exchange markets.

- A. Higher exchange rate implies price of foreign currency in term of domestic currency has increased, known as depreciation of domestic currency.
- B. The exchange rate is determined by the market forces of demand and supply.
- C. This will shift the demand curve to the right of original demand curve.
- D. The new equilibrium will thus have a higher exchange rate.
- E. With increase in demand for foreign goods and services, the demand for the foreign currency will increase.

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

1. E, A, C, D, B
2. B, E, D, A, C
3. E, C, A, D, B
4. B, E, C, D, A

Options

A	1
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B	2
C	3
D	4

Question ID	12076
Question Type	MCQ
Question	Which of the following was NOT the reason for stagnation and deterioration of Indian agriculture sector at the time of independence? 1. Commercialisation of agriculture 2. Zamindari system 3. Negligible use of fertilisers 4. Lack of irrigation facilities
Options	
A	1
B	2
C	3
D	4

Question ID	12078
Question Type	MCQ
Question	What was the life expectancy rate in India at the time of independence? 1. 69 years 2. 32 years 3. 47 years 4. 51 years
Options	
A	1
B	2
C	3
D	4

Question ID	12079
Question Type	MCQ
Question	Which of the following was NOT one of the reasons for New Economic Policy in India? 1. Declining foreign exchange 2. Outsourcing 3. High inflation 4. Deficit in Balance of Payments
Options	
A	1
B	2
C	3
D	4

Question ID	12081
Question Type	MCQ
	Which of the following were the regulations in industrial sector before New Economic Policy in India? A. Some goods could only be produced in small-scale industries. B. Firms were not allowed to import technology. C. There was a control on price fixation and distribution of selected industrial products. D. Private sector was not allowed in many industries.

Question

E. Getting a license was mandatory to start any firm from the government.

Options

A

1

B

2

C

3

D

4

Question ID

12082

Question Type

MCQ

Question

After the economic reforms, the firms started to adopt automation. Arrange the following statements in correct sequence explaining the impact of automation on labor market.

A. Adoption of capital intensive process
B. Initiatives by government to generate employment opportunities
C. Increase in level/growth of output
D. Increase in unemployment
E. Reduced demand for labor

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

1. A, C, E, D, B
2. E, D, A, B, C
3. A, E, D, B, C
4. C, A, D, B, E

Options

A

1

B

2

C

3

D

4

Question ID

12083

Question Type

MCQ

Question

Match the **LIST-I** with **LIST-II**

LIST-I		LIST-II	
A.	CNG	I.	training of women in organic farming
B.	TANWA	II.	non-conventional source of energy
C.	Kudumbashree	III.	ozone layer protection
D.	Montreal Protocol	IV.	community based poverty reduction program

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

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

Options

A

1

B

2

C

3

D

4

Question ID	12084
Question Type	MCQ
Question	The introduction of green revolution in Pakistan led to: 1. Mechanisation and increase in public investment in infrastructure in selected areas. 2. A decline in the production of food grains. 3. Import substitution-based industrialisation. 4. No change in the agrarian structure of the country.
Options	
A	1
B	2
C	3
D	4

Question ID	12085
Question Type	MCQ
Question	Economic reforms in China were introduced in: 1. 1978 2. 1988 3. 1991 4. 1958
Options	
A	1
B	2
C	3
D	4