

Subject:	Economics/Business Economics
Set Name:	V2_SET3
Code:	309
Exam Date:	18-04-2026
SLOT:	1

Question ID	264217
Question Type	MCQ
Question	Heavy rainfall has impacted the tomato crop. This caused an increase in the prices of tomato, but the quantity demanded did not change too much. It implies that the demand for tomatoes is: 1. Unitary elastic 2. Inelastic 3. Elastic 4. Perfectly inelastic
Options	
A	1
B	2
C	3
D	4

Question ID	264219
Question Type	MCQ
Question	Why does demand curve slope downwards? 1. Increasing Marginal Utility 2. Substitution effect and income effect 3. Negative relation between income and demand 4. Demand of inferior goods increase with an increase in income
Options	
A	1
B	2
C	3
D	4

Question ID	264221										
Question Type	MCQ										
Question	Match List-I with List-II <table><thead><tr><th>List-I</th><th>List-II</th></tr></thead><tbody><tr><td>(A) Family of indifference curves</td><td>(I) Indifference curve Analysis</td></tr><tr><td>(B) Ordinal Utility</td><td>(II) Marginal Rate of substitutions</td></tr><tr><td>(C) Slope of Indifference curve</td><td>(III) Price ratio</td></tr><tr><td>(D) Slope of Budget line</td><td>(IV) Indifference Map</td></tr></tbody></table> Choose the correct answer from the options given below: 1. (A) - (I), (B) - (IV), (C) - (II), (D) - (III) 2. (A) - (IV), (B) - (I), (C) - (III), (D) - (II) 3. (A) - (IV), (B) - (I), (C) - (II), (D) - (III) 4. (A) - (II), (B) - (IV), (C) - (I), (D) - (III)	List-I	List-II	(A) Family of indifference curves	(I) Indifference curve Analysis	(B) Ordinal Utility	(II) Marginal Rate of substitutions	(C) Slope of Indifference curve	(III) Price ratio	(D) Slope of Budget line	(IV) Indifference Map
List-I	List-II										
(A) Family of indifference curves	(I) Indifference curve Analysis										
(B) Ordinal Utility	(II) Marginal Rate of substitutions										
(C) Slope of Indifference curve	(III) Price ratio										
(D) Slope of Budget line	(IV) Indifference Map										

Options	
A	1
B	2
C	3
D	4

Question ID	264225
Question Type	MCQ
Question	Which one of the following statements is incorrect? 1. Average variable cost curve in short run is U-shaped. 2. The avergae fixed cost curve is a rectangular hyperbola. 3. The total fixed cost curve is an S-shaped curve. 4. The total variable cost curve and total cost curve are parallel to each other.
Options	
A	1
B	2
C	3
D	4

Question ID	264228																					
Question Type	MCQ																					
Question	Based on the information given in the following table, it can be said that the production function exhibits: <table><tr><td>L</td><td>K</td><td>$Q = 2L + K$</td></tr><tr><td>0</td><td>0</td><td>0</td></tr><tr><td>1</td><td>10</td><td>12</td></tr><tr><td>2</td><td>20</td><td>24</td></tr><tr><td>3</td><td>30</td><td>36</td></tr><tr><td>4</td><td>40</td><td>48</td></tr><tr><td>5</td><td>50</td><td>60</td></tr></table> 1. Increasing returns to scale 2. Constant returns to scale 3. Decreasing returns to scale 4. Law of variable proportions	L	K	$Q = 2L + K$	0	0	0	1	10	12	2	20	24	3	30	36	4	40	48	5	50	60
L	K	$Q = 2L + K$																				
0	0	0																				
1	10	12																				
2	20	24																				
3	30	36																				
4	40	48																				
5	50	60																				
Options																						
A	1																					
B	2																					
C	3																					
D	4																					

Question ID	264285
Question Type	MCQ
Question	Arrange the following statements regarding the relationship between AP (Average product) and MP (Marginal Product) in correct sequence, starting with employment of first unit of input: (A) For the 1st unit of input (labour), AP and MP are the same. (B) After a point, MP starts falling, but it is still higher than AP. (C) As we increase the input, MP and AP both rise but AP rises less than MP. (D) It follows that MP curve cuts AP curve from above at its maximum.

(E) Once MP has fallen sufficiently, it becomes less than AP and AP also starts to fall.

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

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

Options

A	1
B	2
C	3
D	4

Question ID 264286

Question Type MCQ

Question

A firm in perfectly competitive market maximises its profit at the output level where:

- (A) $P > SMC$
- (B) $P = SMC$
- (C) SMC is non-decreasing
- (D) $P < AVC$
- (E) $P \geq AVC$

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

1. (A), (C) and (E) only
2. (B) and (E) only
3. (B), (C) and (E) only
4. (B) and (D) only

Options

A	1
B	2
C	3
D	4

Question ID 264288

Question Type MCQ

Question

If the consumption function is given as $C = 100 + 0.8 Y$, and $I = 20$ in an economy.

Arrange the values of the following in descending order based on the information given above.

- (A) The value of multiplier
- (B) The value of autonomous consumption
- (C) The aggregate income
- (D) The marginal propensity to save
- (E) The marginal propensity to consume

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

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

Options	
A	1
B	2
C	3
D	4

Question ID	264289
Question Type	MCQ
Question	Increase in demand changes the market equilibrium to a point that has: 1. lower quantity, higher price 2. higher quantity, higher price 3. higher quantity, same price 4. same quantity, higher price
Options	
A	1
B	2
C	3
D	4

Question ID	264291
Question Type	MCQ
Question	Which of the following is NOT the major sector in an economy from macro economic point of view? 1. An individual agent 2. External sector 3. Government sector 4. Capitalist firms
Options	
A	1
B	2
C	3
D	4

Question ID	264216
Question Type	MCQ
Question	Which of the following can be considered as a capital good? 1. Food purchased by your parents 2. Washing machine bought by a household 3. Washing machine bought by a laundry firm or laundromat 4. Tickets of a recreational centre
Options	
A	1
B	2
C	3
D	4

Question ID	264218
Question Type	MCQ
Question	Suppose, the GDP at market price was ₹ 1100 crores, net factor income from abroad was ₹ 200 crores. The values of national income and net indirect taxes were ₹ 900 and ₹ 250 crores respectively. Calculate the aggregate value of depreciation. 1. ₹ 250 crores 2. ₹ 150 crores 3. ₹ 450 crores 4. ₹ 350 crores

4. ₹ 500 crores

Options

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

Question ID 264220

Question Type MCQ

Question

Match **List-I** with **List-II**

List-I	List-II
(A) GDP_{FC}	(I) $\frac{c}{1-c}$
(B) Government Expenditure multiplier ($\Delta Y/\Delta G$)	(II) GDP_{MP} - NIT
(C) Transfers multiplier ($\Delta Y/\Delta TR$)	(III) GDP_{MP} - Depreciation
(D) NDP_{MP}	(IV) $\frac{c}{1-c(1-t)}$

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

- (A) - (II), (B) - (I), (C) - (IV), (D) - (III)
- (A) - (III), (B) - (IV), (C) - (I), (D) - (II)
- (A) - (II), (B) - (IV), (C) - (I), (D) - (III)
- (A) - (III), (B) - (I), (C) - (IV), (D) - (II)

Options

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

Question ID 264226

Question Type MCQ

Question

Which of the following is **NOT** a policy tool used by central bank to control money supply in an economy?

- Repurchase Agreement or Repo
- Open Market Operations
- Bank Rate
- Time Deposits

Options

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

Question ID 264227

Question Type MCQ

Question

Suppose, the money supply in an economy is ₹ 500 crores. The commercial banks cannot give a loan beyond ₹ 400 crores as the Cash Reserve Ratio (CRR) is 20%. Calculate the value of money multiplier in this economy.

- 5
- 80

3. 0.05
4. 20

Options	
A	1
B	2
C	3
D	4

Question ID	264293
Question Type	MCQ
Question	In fixed price model of equilibrium output and aggregate demand, which of the following can happen due to increase in autonomous investment? 1. Consumption will change due to change in c 2. Aggregate demand curve will shift downwards to the right 3. Equilibrium level of output will increase 4. The final change in the output will be equal to the change in investment
Options	
A	1
B	2
C	3
D	4

Question ID	264295
Question Type	MCQ
Question	If the total expenditure of government is ₹ 5250 crores and the total receipts are ₹ 5100 crores. Find value of the fiscal deficit. Note that the revenue receipts are equal to ₹ 4900 crores and the borrowings of government in the financial year are ₹ 300 crores. 1. ₹ 450 crores 2. ₹ 150 crores 3. ₹ 50 crores 4. ₹ 650 crores
Options	
A	1
B	2
C	3
D	4

Question ID	264298
Question Type	MCQ
Question	Which of the following statements are correct regarding Fiscal Responsibility and Budget Management Act, 2003 (FRBMA)? (A) It requires reduction in fiscal deficit by 0.3 percent of GDP each year. (B) The rules under the act were notified with effect from July, 2005. (C) It requires reduction in revenue deficit by 3 percent of GDP each year. (D) It mandates to reduce fiscal deficit to not more than 3 percent of GDP. (E) The central government shall not borrow from RBI to meet temporary cash requirements except by way of advances. Choose the correct answer from the options given below: 1. (A), (D) and (E) only 2. (A), (B) and (E) only 3. (B), (C) and (D) only 4. (A), (B), (D) and (E) only

Options	
A	1
B	2
C	3
D	4

Question ID	264287
Question Type	MCQ
Question	Which one of the following items would be included in the capital account of BOP? 1. Purchase of UK car company by an Indian 2. Remittances and gifts 3. Export of merchandise 4. Purchase of American shoes by an Indian
Options	
A	1
B	2
C	3
D	4

Question ID	264290
Question Type	MCQ
Question	Calculate the current account balance for a country that has a trade balance of -90 million USD. The exports and imports of this country are 200 and 290 million USD respectively. The net invisibles are equal to 52 million USD. 1. -38 million USD 2. -142 million USD 3. 142 million USD 4. 38 million USD
Options	
A	1
B	2
C	3
D	4

Question ID	264292
Question Type	MCQ
Question	At the time of independence, which of the following were the products exported by India? 1. Capital goods 2. Woolen Clothes 3. Jute 4. Silk clothes
Options	
A	1
B	2
C	3
D	4

Question ID	264294
Question Type	MCQ
Question	Which of the following was not one of the common goals of five year plans in India? 1. Growth 2. Self - sufficiency 3. Modernisation 4. Land Reforms

Options	
A	1
B	2
C	3
D	4

Question ID	264296
Question Type	MCQ
Question	When the government sells a part of equity of public sector enterprise (PSEs) to private sector, it is known as: 1. Globalisation 2. Disinvestment 3. Liberalisation 4. Deregulation
Options	
A	1
B	2
C	3
D	4

Question ID	264297
Question Type	MCQ
Question	Which of the following were the measures taken under liberalisation in New Economic Policy (NEP)? (A) Financial sector reforms (B) Abolition of import licensing (C) Deregulation of Industrial sector (D) Tax reforms (E) Foreign Exchange Reforms Choose the correct answer from the options given below: 1. (C) and (D) only 2. (A), (B) and (E) only 3. (A), (B), (C) and (D) only 4. (A), (B), (C), (D) and (E)
Options	
A	1
B	2
C	3
D	4

Question ID	264300
Question Type	MCQ
Question	Organic farming helps in: 1. Increasing the imports of a country 2. Growing food that has higher nutritional value 3. Generating higher yields in the initial years 4. Increasing the consumption of chemical fertilizers
Options	
A	1
B	2
C	3

D	4
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Question ID	264302
Question Type	MCQ
Question	Arrange the following in a correct sequence regarding land degradation process. (A) Reduction in income generating opportunities (B) Degradation of land (C) Mining of minerals without permission (D) Productivity of nearby agricultural land reduces (E) Overexploitation or over extraction of resource Choose the correct answer from the options given below: 1. (C), (E), (B), (D), (A) 2. (B), (C), (E), (A), (D) 3. (E), (B), (D), (A), (C) 4. (C), (B), (D), (E), (A)
Options	
A	1
B	2
C	3
D	4

Question ID	264299
Question Type	MCQ
Question	Which of the following is NOT considered as an indicator of human development? 1. Prevalence of undernourishment 2. Life expectancy at birth 3. Growth rate of service sector 4. People living below poverty line
Options	
A	1
B	2
C	3
D	4

Question ID	264301										
Question Type	MCQ										
Question	Match List-I with List-II <table><tr><th>List-I</th><th>List-II</th></tr><tr><td>(A) First five year plan of India</td><td>(I) 1958</td></tr><tr><td>(B) Great Leap Forward</td><td>(II) 1988</td></tr><tr><td>(C) Economic reforms in Pakistan</td><td>(III) 1951</td></tr><tr><td>(D) Medium term development plan in Pakistan</td><td>(IV) 1956</td></tr></table> Choose the correct answer from the options given below:	List-I	List-II	(A) First five year plan of India	(I) 1958	(B) Great Leap Forward	(II) 1988	(C) Economic reforms in Pakistan	(III) 1951	(D) Medium term development plan in Pakistan	(IV) 1956
List-I	List-II										
(A) First five year plan of India	(I) 1958										
(B) Great Leap Forward	(II) 1988										
(C) Economic reforms in Pakistan	(III) 1951										
(D) Medium term development plan in Pakistan	(IV) 1956										

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