ECONOMICSBUSINESS ECONOMICS

Question : 1

The main aim of economic policies pursued by the colonial government in India was:

A Development of the Indian economy

B Protection and promotion of the economic interests of their home country

C To transform India into exporter of finished goods

D To promote Indian handicrafts.

Question : 2

Which of the following is not a goal of the five year plans?

A Self reliance

B Land ceiling

C Equity

D Modernisation

Question : 3

In 1991, India approached the____ and ____ and received $7 billion as loan to manage the economic crises.

A World Bank, World Trade organisation

B International Monetary Fund, OPEC

C World Bank, International Monetary Fund

D World Trade Organisation, International Monetary Fund

Question : 4

Arrange the following in Chronological order.

   A. Foundation of World Trade Organisation (WTO)
   B. Establishment of General Agreement on Trade and Tariff (GATT)
   C. India's New Economic Policy (NEP)
   D. Introduction of Goods and Service Tax (GST)

Choose the correct answer from the options given below:

A D, B, A, C

B A, C, B, D

C B, C, A, D

Question : 5

Identify the incorrect statement relating to need for government intervention in education and health sector.

A Expenditure in education and health have long term impact and cannot be easily reversed.

B Individual consumers of education and health care services do not have complete information about quality of service & cost

C Large section of India's population lives below its poverty line.

D Basic education and health care is not considered as a right of the citizens.

Question : 6

The process which involves assembling storage processing, transportation, packaging, grading and distribution of different agricultural products across the country is known as_____

A TANWA

B Agricultural marketing

C Diversification

D Cooperative Marketing

Question : 7

Which of the following is not a feature of unorganised sector.

A No job security

B Social security schemes
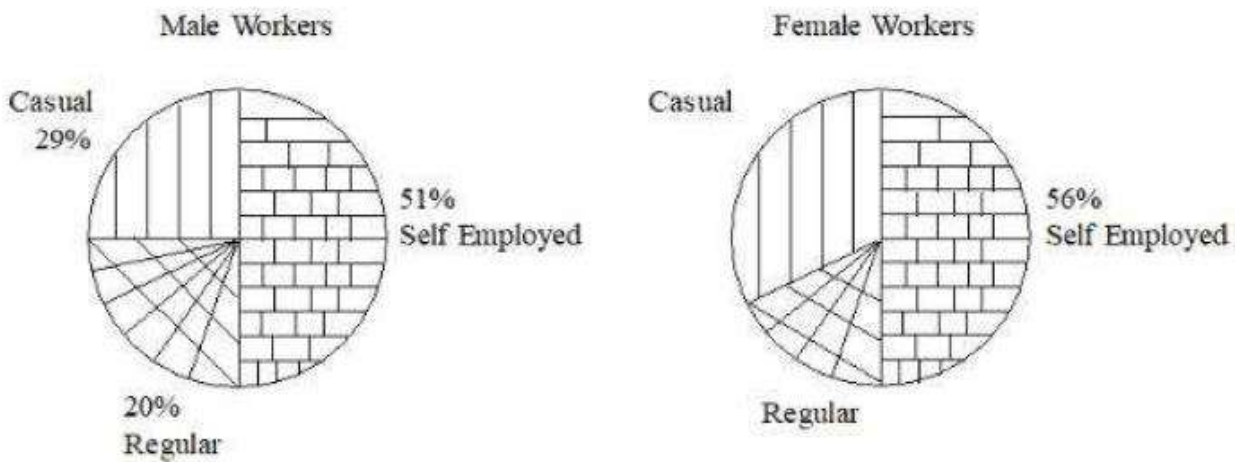
C Irregular payment

D No fixed working hours

Question : 8

All the public sector establishments and those private sector establishments which employ 10 hired workers or more are called _____.

A Informal sector establishments

B Formal sector establishments

C Public sector establishments

D Private sector establishments

Question : 9

Distribution of Employment by Gender.

Male Workers

Casual
29%

51%
Self Employed

20%
Regular

Female Workers

Casual

56%
Self Employed

Regular

Observe the pie chart and identify the major source of livelihood for both men and women.

A   Casual Wage Labourers

B   Hired Workers

C   Self Employed

D   Regular Salaried Employees

Question : 10

AYUSH stands for:

A   Alloevera, Yoga, Unity, Siddha, Naturopathy and Homeopathy

B   Ayurveda, YinYan, Unani, Spirituality and Homeopathy

C   Ayurveda, Yoga, Unani,Siddha,Naturapathy and Homeopathy

D   Allovera,Yin Yan, Unani, Siddha and Homeopathy

Question : 11

An Indicator used by experts to gauge the number of people dying prematurely due to a particular disease as well as the number of years spent by them in a state of disability owing to the disease is called _____.

A   Grief of Burden of disease

B   Goal Burden of disease

C   Global Burden of disease

D   Great Burden of disease

Question : 12

Infrastruture contributes to economic development of a country by.

A   Increasing the productivity of factors of production and impoving the quality of life of its people

B   By improving quality of life and increasing transportation facilities

C   Increasing housing facilities

D   Increasing banking facilities and educational opportunities.

Question : 13

The ability of the environment to absorb degradation is called.

A   Carrying capacity

B   Global warming

C   Ozone depletion

D   Absorptive capacity

Question : 14

Arrange the following in sequence to show how supply-demand reversal of environment resources happen.

    A. The demand for resources for both production and consumption went beyond the rate of regeneration of resources
    B. Before industrialisation and increase in population, demand for environmental resource was less than their supply
    C. There was reversal of supply demand relationship
    D. Industrial Revolution and population explosion took place

Choose the correct answer from the options given below:

A A, B, C, D

B B, D, A, C

C C, B, D, A

D B, C, D, A

Question : 15

Identify the correct sequence for computing National Income..

    A. Add NFIA to calculate NNP_{FC}
    B. Add sales and change in stock to get value of output (VO)
    C. Value of intermediate consumption to be deducted from value of output to calculate GVA at MP
    D. Deduct value of depreciation and Net Indirect Taxes to get NVA_{FC}

Choose the correct answer from the options given below:

A C, D, A, B

B B, C, D, A

C D, C, B, A

D C, B, A, D

Question : 16

A person whose stay in a country is at least for one year and whose economic interest lies in that country is called a:

A Non-Resident

B Normal Resident

C Normal Citizen

D Domestic Citizen

Question : 17

Sales for a firm is calculated as:

A Value of output + Intermediate consumption

B Value of output – Intermediate consumption

C Value of output + Change in stock

D Closing stock + Value of output

Question : 18

Arrange the following steps in calculation of National Income, By Income Method in correct sequence.

  A. Add net factor income form abroad to arrive at National Income
  B. Estimate the factor income paid by each sector
  C. Identify and classify the income generating units.
  D. Calculate domestic factor income

Choose the correct answer from the options given below:

A B, D, A, C

B D, B, C, A

C C, B, D, A

D C, A, B, D

Question : 19

Which of the following are not macroeconomics variables:-

    A. Aggregate output
    B. General price level
    C. Employment of workers in a leather factory.
    D. Producer's equilibrium

Choose the correct answer wheat from the options given below:

A   A and B only

B   B and C only

C   C and D only

D   A and D only

Question : 20

Identify which of the following is a flow variable.

    A. Inventory
    B. Wealth
    C. Income
    D. Change in inventories

Choose the correct answer from the options given below:

A   A and C only

B   B and D only

C   C and D only

D   A and B only

Question : 21

Which of the following components is not included in M_1 measure of money supply.

A Currency and coins held by public

B Demand deposits of public

C Inter bank deposits of commercial banks

D Other deposits of banks

Question : 22

Match the List I with List II

List I	List II
A. CRR	I. Buying and selling of government securities by RBI from/ to the public and commercial banks
B. SLR	II. Percentage of deposits which a bank must keep as reserves with RBI
C. Repo rate	III. Rate at which RBI lends money to commercial banks to meet their short term needs.
D. Open market operations	IV. percentage of deposits which a bank must keep as reserves in liquid form with itself

Choose the correct answer from the options given below:

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

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

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

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

Question : 23

Match the List I with List II

List I	List II
A. Direct tax	I. Sale of shares of public sector undertaking
B. Non-Tax Revenue	II. Corporate Tax
C. Indirect Tax	III. Customs duties
D. Capital Receipts	IV. Cash grants-in-aid from foreign countries

Choose the correct answer from the options given below:

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

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

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

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

Question : 24

If Marginal propensity to save (MPS) is 0.5 and initial change in investment is Rs 250 crore, then the final change in income, is:

A   ₹125 crore

B   ₹1250 crore

C   ₹ 600 crore

D   ₹ 500 crore

Question : 25

If the consumption function is C=300+0.6Y, then the savings function will be

A S=300 - 0.6Y

B S=(-)300 + 0.6Y

C S=(-)300 + 0.4Y

D S=300 - 0.4Y

Question : 26

Match the List I with List II

List I	List II
A. Marginal propensity to consume	I. $\dfrac{C}{Y}$
B. Marginal propensity to save	II. $\dfrac{\Delta C}{\Delta Y}$
C. Average propensity to save	III. $\dfrac{S}{Y}$
D. Average propensity to consume	IV. $\dfrac{\Delta S}{\Delta Y}$

Choose the correct answer from the options given below:

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

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

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

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

Question : 27

From the options given below identify the intermediate good / goods.

    A. Printer purchased by dealer for supplying in the school
    B. Car purchased by a cab driver
    C. Fruits and vegetables purchased by shopkeeper
    D. Smart boards purchased by the University for teaching

Choose the correct answer from the options given below:

A   A and C only

B   B and D only

C   B and C only

D   D only

Question : 28

Identify the correct sequence relating to equilibrium in an economy:

    A. Inventories in hand with the producers start falling
    B. This process continued till aggregate demand becomes equal to aggregate supply
    C. When planned demand exceeds planned output
    D. Producers will plan to raise production and employment.
    E. It means Buyers are planning to buy more goods and services than producers are planning to produce

Choose the correct answer from the options given below:

A   A, B, C, D, E

B   E, D, C, B, A

C   C, E, A, D, B

D   C, B, A, E, D

Question : 29

Match the List I with List II

List I	List II
A. Investments made abroad	I. Credit side of current account of BOP
B. Remittances to a relative staying abroad	II. Debit side of current account of BOP
C. Borrowing from IMF	III. Debit side Capital account of BOP
D. Export of cotton clothes	IV. Credit side of Capital account of BOP

Choose the correct answer from the options given below:

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

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

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

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

Question : 30

A _____ function describes the functional relationship between consumption and income.

A Income

B Production

C Consumption

D Cost

Question : 31

Excess demand is a situation in which.

A   AD > AS at full employment level

B   AD < AS at full employment level

C   AD > AS at under employment level

D   AD < AS at under employment level

Question : 32

Choose correct statements about utility

A. As consumption increases marginal utility increases
B. As consumption increases marginal utility decreases.
C. Utility does not differ from person to person
D. Total utility is the sum of marginal utilities

Choose the correct answer from the options given below:

A   A and B only

B   B and C only

C   C and A only

D   B and D only

Question : 33

The Great Leap Forward (GLF) campaign in China aimed at Increasing ____ in the country on a massive scale

A   industrial sector output

B   agriculture sector output

C   service sector output

D   cyber security

Question : 34

If there is no change in demand of good X with the change in price of good X, then price elasticity of demand for good X is :-

A Perfectly elastic

B Perfectly inelastic

C Unitary elastic

D Greater than 1

Question : 35

Identify the Normative statement:-

A Govt has doubled the expenditure on education in this years budget

B Recently RBI has increased repo rate to regulate inflation in economy

C Rise in diesel prices causes rise in transportation cost

D Environmental regulation must be tough to protect the environment.

Question : 36

The Means of production are under the control of the State in which type of economy?

A Capitalist Economy

B Mixed Economy

C Socialist Economy

D Market Economy

Question : 37

Which of the following is a positive economics statement?

A People should take COVID- 19 vaccines

B Every child should pursue one sport in school

C Government provides subsidies. It increases their financial burden

D Government should provide basic healthcare to the public

Question : 38

From the given below items identify the stock variable-

A Amount of bank deposits as on 31.03.2022

B Investment expenditure

C Number of deaths due to communicable diseases during Jan 2022

D Speed of a car

Question : 39

Calculate GDP mp.

    A. Private final consumption expenditure = Rs 200 Cr
    B. Indirect Tax = Rs30 Cr
    C. Government final Consumption expenditure = Rs 100 Cr
    D. Net Exports = Rs 50 Cr
    E. Gross Domestic Capital formation = Rs 50 Cr
    F. Depreciation = Rs 20 Cr

A 370

B 400

C 320

D 270

Question : 40

Which of the following comes under financial sector reforms?

A Taxation

B Banking

C Delicensing

D Devaluation

Passage:
Read the following text and answers
There is an oil refinery which refines crude petroleum and sells it in the market.
The output of the refinery is the amount of oil it refines. We can estimate the
value added of the refinery by deducting the value of intermediate good used by
the refinery from the value of its output. The value added of the refinery will be
counted as part of the GDP of the economy. But in carrying out the production
the refinery may also be polluting the nearby river. This may cause harm to the
people who use the water of the river. Hence their well being will fall. Pollution
may also kill fish or other organisms of the river on which fish survive.

Question : 41

Which of the following is correct?

    A. If the GDP of the country is rising, the welfare will always rise.
    B. Externalities refer to the benefits a firm or an individual cause to another
       for which they are not paid.
    C. Non monetary exchanges can not he excluded in estimation of GDP
    D. Adding the value of final goods once leads to problem of double counting

Choose the correct answer from the options given below:

A A and C only

B C and D only

C B and C only

D A and B only

Question : 42

Value added by the oil refinery will be equal to:

A Value of output - intermediate cost

B Value of output + intermediate cost

C Crude oil only

D Amount of oil it refines and crude oil

Question : 43

Oil Refinery Polluting nearby area is an example of:

A Non-monetary exchanges

B Positive externalities

C Negative externalities

D GDP externalities

Question : 44

In the above case study GDP is _____actual welfare

A underestimated

B overestimated

C accurately estimating

D equal to

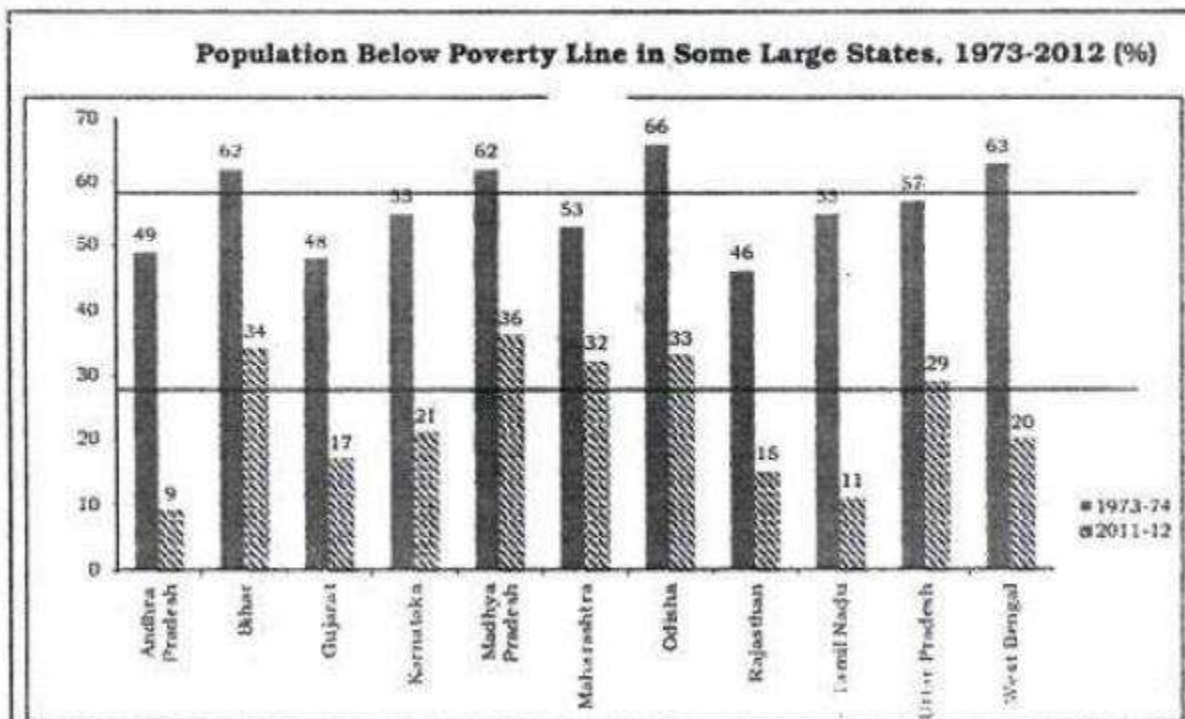**Question : 45**

A rise in GDP will _____

A reduce welfare

B always increase welfare

C may or may not increase welfare

D not affect welfare

Passage:

On the basis of the given diagram answer

Population Below Poverty Line in Some Large States, 1973-2012 (%)

Question : 46

Which state has the lowest population of poor in 2011-2012.

A Madhya Pradesh

B Andhra Pradesh

C Odisha

D Bihar

Question : 47

Which state has the highest population of poor in 1973-74.

A Odisha

B Tamil Nadu

C Andhra Pradesh

D Rajasthan

Question : 48

Which state has the highest population of poor in 2011-12?

A Odisha

B Bihar

C Maharashtra

D Madhya Pradesh

Question : 49

Which two states has the same proportion of people below the poverty line in 1973-74.

A   Odisha and West Bengal

B   Gujrat and Andhra Pradesh

C   Bihar and Madhya Pradesh

D   Gujarat and West Bengal

Question : 50

_____ state reduced poverty level much better than other states.

A   Tamil Nadu

B   Odisha

C   Bihar

D   Madhya Pradesh