

(GCF-1, 3, 4, 5, 6, 7+7A, 8+8A, 9, VCF-1,2, ACF-1,2, JCF-1)**DATE: 17.10.2023****MAXIMUM MARKS: 100****TIMING: 2 Hours****ECO & BCK**

1. Which is not the property of Indifference curve analysis?
 - (a) Indifference curves slope downward to the right
 - (b) Indifference curves are always concave to the origin
 - (c) Indifference curves can never intersect each other
 - (d) A higher indifference curve represents a higher level satisfaction than the lower indifference curve
2. Function refers to a
 - (a) relationship between two variable
 - (b) relationship between inputs and output
 - (c) physical relationship between input and output
 - (d) relationship between capital and labour expressed in terms of wage rental ratio
3. Which curve does intersect AC and AVC curve at its minimum point-
 - (a) MC Curve
 - (b) AFC Curve
 - (c) AVC Curve
 - (d) None of above
4. The optimum level of production for a firm is, where –
 - (a) MC is minimum
 - (b) AVC is minimum
 - (c) AFC is minimum
 - (d) AC is minimum
5. If the elasticity of demand for a commodity is perfectly inelastic then which of the following is incorrect?
 - (a) The commodity must be essential to those who purchase it.
 - (b) The commodity must have many substitutes.
 - (c) The commodity will be purchased regardless of increase in its price.
 - (d) The elasticity of demand for this commodity must equal zero.
6. Which curve is never U-shaped?
 - (a) TFC curve
 - (b) AVC curve
 - (c) AC curve
 - (d) MC curve
7. Under which market, there are many varieties of product for the consumers –
 - (a) Perfect Competition
 - (b) Monopoly
 - (c) Duopoly
 - (d) Monopolistic Competition

8. In which type of Oligopoly, the price leadership exists –
(a) Full Oligopoly
(b) Partial Oligopoly
(c) Syndicated Oligopoly
(d) Organised Oligopoly
9. Under Perfect Competition Market, the supply curve is –
(a) Average cost curve
(b) Average Variable Cost curve
(c) Marginal Cost curve
(d) Average Revenue curve
10. Other Name of LAC curve is :
(a) Profit Curve
(b) Planning Curve
(c) Demand Curve
(d) Indifference Curve
11. Marginal Utility –
(a) Will always be positive
(b) Will always be negative
(c) Can be positive or negative but not zero
(d) Can be positive or negative or zero
12. When both demand and supply decreases in the same proportion, then equilibrium price will _____.
(a) Remain the same
(b) Rise
(c) Fall
(d) None of the above
13. Under Perfect Competition, in the long-run, a Firm
(a) Earns normal profit
(b) Earns abnormal profit
(c) Have losses
(d) None of the above
14. Price Elasticity of Demand for Monopolist's Product is
(a) Infinity
(b) More than one
(c) Less than one
(d) Zero
15. As per Kinked Demand Curve Theory of Oligopoly, the Kink is formed at –
(a) Prevailing Price
(b) Higher than Prevailing Price
(c) Lower than Prevailing Price
(d) Origin

16. The term business cycle refers to
(a) the ups and downs in production of commodities
(b) the fluctuating levels of economic activity over a period of time
(c) decline in economic activities over prolonged period of time
(d) increasing unemployment rate and diminishing rate of savings
17. The lowest point in the business cycle is referred to as the
(a) Expansion
(b) Boom
(c) Peak
(d) Trough
18. During recession, the unemployment rate_____and output_____.
(a) Rises; falls
(b) Rises; rises
(c) Falls; rises
(d) Falls; falls
19. The different phases of a business cycle
(a) Do not have the same length and severity
(b) Expansion phase always last more than ten years
(c) Last many years and are difficult to get over in short periods
(d) None of the above
20. Sir Robert Giffen was surprised to find out relationship of price with two other goods, which were:
(a) Bread and Rice
(b) Meat and Rice
(c) Bread and Meat
(d) Cheese and meat
21. Theory of consumer's behaviour is based upon-
(a) Production hypothesis
(b) Utility hypothesis
(c) Cost hypothesis
(d) Both A and C
22. Marginal Utility of a commodity depends on its quantity and is –
(a) Inversely proportional to its quantity
(b) Not proportional to its quantity
(c) Independent of its quantity
(d) None of the above
23. Period in which supply cannot be increased is called
(a) Market Period
(b) Short Run
(c) Long Run
(d) None of these

24. According to behavioral Principles.
(a) A firm should not produce at all its total variable costs are not met.
(b) A firm will be making maximum profits by expanding output to the level where marginal revenue is equal to marginal cost.
(c) Both (a) and (b)
(d) None of these
25. Monopsony means
(a) Where there are large firms
(b) There is a single buyer
(c) Small number of large buyers
(d) Single seller and single buyer
26. Which of the following is not the phase of business cycles?
(a) Prosperity
(b) Upswing
(c) Reconstruction
(d) Depression
27. The internal causes of business cycle is
(a) Fluctuation in effective demand
(b) Technology shocks
(c) Both a & b
(d) None
28. Which is not related to great depression of 1930?
(a) It started in USA
(b) John Maynard Keynes regarded lower aggregate expenditure as the cause
(c) Excess Money supply
(d) Both a & b
29. Which of the following is true about leading indicators?
(a) Measurable economic factors
(b) Changes after real output
(c) Both (a) and (b)
(d) None
30. Factors of production are owned by _____ in market economies.
(a) Govt.
(b) Investor
(c) Privately
(d) None
31. Which among the following market situation is known as a 'myth in the market'?
(a) Duopoly
(b) Oligopoly
(c) Discriminating
(d) Perfect Competition

32. Which of the following statements about price elasticity of demand is correct?
- (a) Price elasticity of demand is a measure of how much the quantity demanded of a good responds to a change in the price of that good.
 - (b) Price elasticity of demand is computed as the percentage change in quantity demanded divided by the percentage change in price.
 - (c) Price elasticity of demand in the long run would be different from that of the short run.
 - (d) All of the above.
33. Which of the following statements is correct?
- (a) With the help of statistical tools, the demand can be forecasted accurately.
 - (b) The more the number of substitutes of a commodity, more elastic is the demand.
 - (c) Demand for butter is perfectly elastic.
 - (d) Gold jewellery will have negative income elasticity.
34. If in a short run perfect competition earn super normal profit then which condition satisfy.
- (a) $ATC > MC$
 - (b) $ATC < MC$
 - (c) $MR < AR$
 - (d) $MR > AR$
35. Extreme Product differentiation is found in which market?
- (a) Perfect Competition
 - (b) Monopoly
 - (c) Monopolistic Competition
 - (d) Oligopoly
36. Monopoly firm faces which demand curve?
- (a) Downward Sloping
 - (b) Horizontal
 - (c) Rising
 - (d) All of these
37. An unemployment type cause due to structural changes in the economy is which of the following-
- (a) Involuntary
 - (b) Ethical friction
 - (c) Full employment
 - (d) Structural
38. Friction unemployment is the characteristic of which of the following stages-
- (a) Expansion
 - (b) Peak
 - (c) Construction
 - (d) Recovery
39. Certris peribus means
- (a) Demand constant
 - (b) Supply constant
 - (c) Other thing being constant
 - (d) None

40. The demand for salt is inelastic, because
(a) of low price
(b) absence of it makes food tasteless
(c) no substitutes
(d) all the three
41. Price electricity demand of product will be more elastic if it
(a) has no substitutes
(b) has number of substitutes
(c) is an item of necessity
(d) is life saving product
42. If the price of burger rises for Rs. 12 per piece to Rs. 20 per piece as a result of which the daily decrease from 300 to 200 pieces per day. The price elasticity of demand can be estimated.
(a) 0.5
(b) 0.8
(c) 0.25
(d) 2.10
43. At the point of inflexion, Slope of TP is _____
(a) Show increases trend
(b) Show decreasing trend
(c) Equal to Zero
(d) be negative
44. Why does the Law of Increasing Returns operate?
(a) Full use of Fixed Indivisible Factors
(b) Efficiency of Variable Factors
(c) Need to reach the right combination
(d) All of the above
45. Internal Economics and Diseconomies arise due to-
(a) Overall industry-level changes
(b) Changes at the Firm Level
(c) Both (a) and (b)
(d) Neither (a) nor (b)
46. Identify the correct statement.
(a) Average product is at its maximum when Marginal Product is equal to Average Product
(b) Law of Increasing Returns to Scale relates to the effect of changes in factor proportions
(c) Economies of Scale arise only because of invisibilities of factor proportions
(d) Internal Economies of scale can accrue only to the exporting sector
47. A firm faces the shut down situation when
(a) Price is less than average variable cost
(b) Price is more than the average variable cost
(c) Price is equal to fixed cost
(d) Price is more than the average fixed cost

48. Economics is -
(a) a perfect science
(b) not a perfect science
(c) not a science at all
(d) none of the above
49. Economic laws are-
(a) Rigid and absolute
(b) Subject to specified assumptions
(c) Mandatory
(d) Strictly enforced by Government
50. The difference between positive and normative Economics is:
(a) Positive Economics explains the performance of the economy while normative Economics ends out the reasons for poor performance.
(b) Positive Economics describes the facts of the economy while normative Economics involves evaluating whether some of these are good or bad for the welfare of the people.
(c) Normative Economics describes the facts of the economy while positive Economics involves evaluating whether some of these are good or bad for the welfare of the people.
(d) Positive Economics prescribes while normative Economics describes.

Read the following paragraph and answer questions 51-52.

Radhika owns a small pen factory. She can make 1,000 pieces of pen per year and sell them for Rs. 400 each. It cost Radhika Rs. 35,000 for the raw materials to produce the 1,000 pieces of pen. She has invested Rs. 2,00,000 in her factory and equipment : Rs. 1,50,000 from her savings and Rs 50,000 borrowed at 10 percent. (Assume that she could have loaned her money out at 30 percent, too.) Radhika can work at a competing pen factory for Rs. 80,000 per year.

51. The accounting profit at Radhika's pen factory is:
(a) Rs. 3,00,000
(b) Rs. 4,60,000
(c) Rs. 3,60,000
(d) Rs. 3,75,000
52. The economic profit at Radhika's factory is:
(a) Rs. 3,50,000
(b) Rs. 2,50,000
(c) Rs. 2,35,000
(d) Rs. 2,40,000
53. Which of the following falls within the domain of Normative Economics?
(a) How national income between different individuals is distributed?
(b) What actual wage rate is determined under monopsony in labour market?
(c) What wage should be paid to the labourers so that they should not be exploited?
(d) None of these

54. Which of the following is/are correct about micro economics?
- (a) Micro economics studies the economy in its totality.
 - (b) In micro economics we make a microscopic study of the economy.
 - (c) Micro economics deals with the division of total output among industries and firms & the allocation of resources among competing uses.
 - (d) Both (b) and (c)
55. If there is no central planning authority to make the fundamental economic decisions and thus to allocate productive resources, how can then free enterprise or capitalist economy solve its central problems?
- (a) Through the power of God
 - (b) On the basis of decision taken by industrial groups.
 - (c) The free market economy uses the impersonal forces of the market to solve its central problems
 - (d) None of these
56. The industrialization and economic development of the USA, Great Britain and other Western European countries have taken place under the condition of ____.
- (a) Socialism and planned structure
 - (b) Capitalism and laissez faire
 - (c) Mixed economic structure
 - (d) None of these
57. Which one of the following statements is correct regarding socialist economy?
- (a) Production is planned or coordinated and suffers from the business cycle
 - (b) Production suffers from the business cycle
 - (c) Production is planned and does not suffers from business cycle
 - (d) None of these
58. Which of the following is/are the merit(s) of mixed economic system?
- (a) Entrepreneurs able to make profit
 - (b) Progressive taxes to reduce inequality
 - (c) Government's provision of public goods
 - (d) All of the above
59. If there is decrease in quantity supplied of a commodity, there will be-
- (a) Upward movement on same supply curve
 - (b) Rightward shift in supply curve
 - (c) Downward movement on same supply curve
 - (d) Leftward shift in supply curve
60. A new technique of production reduces the marginal cost of producing paper. How will this affect the supply curve of writing material like notebook, register & notepad etc?
- (a) Upward movement on same supply curve
 - (b) Downward movement on same supply curve
 - (c) Leftward shift in supply curve
 - (d) Rightward shift in supply curve

61. Bid is the opposite of
(a) Ask/offer
(b) Call
(c) Equity
(d) None of the above
62. By what name are the Education and Stationary products by ITC known in India?
(a) Camel
(b) Apsara
(c) Natraj
(d) Classmate
63. Simplification of trade restrictions related to import is an example of:
(a) Globalization
(b) Privatization
(c) Disinvestment
(d) Aggregation
64. Which of the following statements is not true about FPI-
(a) Speculative in nature
(b) Increase in Output, Employment, Wage Levels, etc. of the Country in which Investment takes place
(c) No interest in Management or Control
(d) Constitutes Investment in Nominal Capital
65. Who is the CFO of Cipla?
(a) Y.K. Hamid
(b) Kedar Upadhyay
(c) Ashish Adukia
(d) D. Rajkumar
66. Which of the following statements about RBI is incorrect?
(a) It deals largely with Governments, Central and State Banks.
(b) Its role is to ensure monetary stability, including stability of domestic price levels.
(c) One of its missions is to protect the interest of policyholders.
(d) The RBI is the sole authority for the issue of currency in India.
67. Large number of SHGs have been linked to credit, resulting in an important Indian tool for micro nance, by the endeavour of:
(a) NABARD
(b) SIDBI
(c) IDBI
(d) SEBI
68. Which one of the following statements is incorrect?
(a) The SEBI members consist of a Chairman, who shall be appointed by Central Government.
(b) The SEBI members consist of two members from amongst the officials of the Ministry of the Central Government.
(c) The SEBI members consist of one member from amongst the official of RBI, who shall be nominated by RBI.
(d) The SEBI members consist of five other members out of which atleast four members shall be whole-time members, who shall be appointed by Central Government.

69. Which one of the following is not the role of the Competition Commission of India?
- (a) To promote practices having adverse effect on competition.
 - (b) To promote and sustain competition in markets.
 - (c) To protect the interests of consumers and,
 - (d) To ensure freedom of trade carried on by other participants in markets in India.
70. The collection of businesses and products that make up the business is called
- (a) Business Diversification
 - (b) Consortium
 - (c) Business Portfolio
 - (d) None of the above
71. The term ownership refers to the right of an individual or a group of individuals to acquire legal title to assets or properties for the purpose of _____.
- (a) Earning profits
 - (b) Selling goods
 - (c) Running the business
 - (d) Serving the society
72. Rates of interest which can be changed contractually by lender is called
- (a) Bank rate
 - (b) Administered rates
 - (c) Accrued interest
 - (d) None of the above
73. Measure of change in financial parameters such as interest, stock indices and market rates is called
- (a) Census
 - (b) Index
 - (c) Basis point
 - (d) None of the above
74. Secondary protection sometimes required by a bank and intended to guarantee a borrower's performance on a debt obligation is called
- (a) Collateral security
 - (b) Certificate of deposit
 - (c) Deposit slip
 - (d) None of the above
75. A document issued by a bank (on behalf of the buyer or the importer), stating its commitment to pay a third party (seller or the exporter), a specific amount, for the purchase of goods by its customer, who is the buyer is called
- (a) Promissory Note
 - (b) Letter of Credit
 - (c) Cheque
 - (d) None of the above
76. Limited Liability Partnership Act, 2008 came into effect by way of notification dated _____.
- (a) 31st March 2009
 - (b) 31st March 2010
 - (c) 31st March 2008
 - (d) 31st March 2011

77. If current Bank Rate is 9% and RBI decreases it by 10 basis points, the New Rate will be-
- (a) 8%
 - (b) 8.10%
 - (c) 9.10%
 - (d) 8.90%
78. FDI Limit in Insurance Sector is –
- (a) 39%
 - (b) 49%
 - (c) 29%
 - (d) 59%
79. Which of the following statements describes the best Joint Hindu / Hindu Undivided Family (HUF) Business?
- (a) It is a form of business particular to and recognized as such in India
 - (b) Every family business is in fact a HUF Business
 - (c) In HUF businesses, there is a family involvement in business
 - (d) Either (a) or (c)
80. Maximum number of partners are allowed in partnership firm is-----
- (a) 100
 - (b) 50
 - (c) 25
 - (d) No limit
81. Which of the following exhibit characteristic of Business Environment?
- I) Environment is static
 - II) Environment is dynamic
 - III) Environment is complex and multi-faceted
 - IV) It has short term reach
- Options
- (a) Point I & III
 - (b) Point I, II & III
 - (c) Point II & IV
 - (d) Point II & III
82. _____ is the process of estimating future demand by anticipating what buyers are likely to do under a given set of marketing conditions:
- (a) Cross marketing
 - (b) Forecasting
 - (c) Market development
 - (d) Internal marketing
83. Trends relate to:
- (a) Happening of events in External Environment
 - (b) Grouping of similar or related events
 - (c) Demands made by Interested group
 - (d) All of the above

84. Under the income tax Act, A HUF cannot earn income from:
(a) House property
(b) Salary
(c) Profits
(d) Other Sources
85. PESTLE is to describe _____ environment :
(a) Micro
(b) Macro
(c) Real
(d) Physical
86. Which of the following is an impact of Liberalization?
(a) Divestment
(b) Foreign Direct Investment
(c) Rapid restructuring and reforming of the PSUs
(d) All of the above
87. The Environment offers :
(a) Opportunities, incentives and rewards
(b) Constraints, threats and restrictions
(c) Both (a) and (b)
(d) Neither (a) nor (b)
88. Procedure of analyzing threats and opportunities of organization's environment is classified as-
(a) Environmental influences
(b) Environmental economics
(c) Environmental planning
(d) Environmental scanning
89. OCBs means:
(a) Overseas Corporate Bodies
(b) Ordnance Commission Bilateral secretariat
(c) Oversees Civic Boards
(d) Oversees Commercial Bilateral Treaties
90. ADR stands for:
(a) American Deficit Record
(b) American Depository Receipt
(c) Asset Depreciation Record
(d) Asset Depository Receipt
91. When was SEBI established?
(a) 1988
(b) 1990
(c) 1986
(d) 1989
92. A HUF cannot comprise members of a:
(a) Hindu & Sikh Family
(b) Jain Family
(c) Buddhist Family
(d) Muslim Family

93. All are the elements of micro environment except
(a) Consumer
(b) Suppliers
(c) Competitor
(d) Technology
94. Bear is a situation in which _____
(a) stock-market players are pessimists
(b) they expects share prices or any other type of investment to fall
(c) prices are going to go lower and majority of dealers will sell as quickly as possible for fear of holding shares which diminish in value
(d) All the Above
95. Who is the Chairman of Apple
(a) Arthur D. Levinson
(b) Tim Cook
(c) Luca Maestri
(d) Stephen Squeri
96. Who is the Chaiman of HDFC Bank
(a) Sashidhar Jagdishan
(b) Srinivasan Vaidyanathan
(c) Atanu Chakraborty
(d) Sandeep Kumar Gupta
97. Who is the CFO of Infosys
(a) Nandan Nilekani
(b) Salil Parekh
(c) Sanjay Kaushal
(d) Nilanjan Roy
98. Who is the CEO of Wipro Limited
(a) Thierry Delaporte
(b) Rishad Premji
(c) Aparna Iyer
(d) Saurabh Agarwal
99. Who is Chairman of IBM Corporation
(a) Enrique Lores
(b) Arvind Krishna
(c) Andy Jassy
(d) Denis Coleman
100. Choose the correct statement:
(a) SEBI came into force from Jan 30, 1992
(b) IRDA was set up by an Act of parliament in India
(c) NABARD bank of India was set up in 1982
(d) All the above