

CLUSTER UNIVERSITY SRINAGAR

University Entrance Examination

Integrated Economics (50 x 1= 50 MARKS) Time One Hour

Note: Each wrong answer will lead to the deduction of 0.25 marks from the total score of the candidate.

- Q1. If the two products are perfect substitutes, the Production Possibility Curve (PPC) will be:
A. Upward sloping straight line B. Horizontal
C. Downward sloping straight line D. Hyperbolic shape
- Q2. The terms Micro and Macro Economics were first used by:
A. Kuznets B. Robinson C. Ragnar Frisch D. J.M.Keynes
- Q3. The term optimum allocation on consumer's expenditure on various goods and services is used in:
A. Law of demand B. Giffen paradox C. Law of equi-marginal utility
D. Law of diminishing marginal utility
- Q4. If the demand for the good is unitary elastic then price consumption curve would be:
A. Downward sloping B. Upward sloping
C. Vertical straight line D. Horizontal straight line
- Q5. A firm's demand curve for a factor of production is equivalent to:
A. Total revenue curve of the factor B. Average revenue product curve of the factor
C. Marginal revenue product curve of the factor D. None of these
- Q6. Which of the following represents price elasticity of demand?
A. $e_p = AR/AR+MR$ B. $e_p = AR/AR -MR$
C. $e_p = AR+MR/AR$ D. $e_p = AR - MR/AR$
- Q7. When the output produced is maximum for the given level of inputs, the firm achieves:
A. Maximum profits B. Economic efficiency C. Technical efficiency D. None of these
- Q8. Group equilibrium is related with the concept of:
A. Bilateral Monopoly B. Oligopoly C. Monopoly D. Monopolistic competition
- Q9. When the perfectly competitive firm and industry are both in the long run equilibrium?
A. $P = MR = SAC = LAC$ B. $D = MR = SMC = LMC$
C. $P = MR =$ Lowest point on the LAC curve D. All of the above
- Q10. Which of the following is not included in the measurement of GNP by income method?
A. Dividends B. Depreciation C. Undistributed corporate profits D. Mixed incomes
- Q11. National income at current price is higher than national income at constant prices during a period of:
A. Falling prices B. Stable prices C. Changing costs D. Rising prices
- Q12. If we know the GNP_{MP} , we calculate GNP_{FC} by:
A. Adding net indirect taxes B. Subtracting net indirect taxes
C. Adding net factor income from abroad D. Subtracting net factor income from abroad
- Q13. The cause of deflation is:
A. Lack of goods and services as compared to money supply
B. Lack of imports as compared to exports
C. Lack of money supply as compared to supply of goods and services
D. All of these

Q14. Arrange the following liquid assets in decreasing order:

- A. Time deposits B. Saving deposits C. Currency D. Demand deposits

Codes

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

Q15. Which of the following is included in M_1 ?

- A. Saving deposits B. Demand deposits C. Gold stock
 D. Assets under money market mutual funds

Q16. With 'a' as initial deposits and 'r' as the cash reserve ratio, the general formula for deposit multiplier is :

- A. $a/1 + r$ B. a/r C. r/a D. $a/1 - r$

Q17. With reference to union budget, which of the following is/are are covered under non – plan expenditure:

- A. defense expenditure B. interest payment C. salaries and pensions D. subsidies

Codes

- A. only 1
 B. only 2 and 3
 C. 1,2,3,4
 D. Only 1 and 4

Q18. Capital budget of the government of India includes:

- A. Borrowing from the RBI
 B. Loans received from foreign governments
 C. Expenditure on acquisition of assets like roads, buildings, machinery
 D. Loans and advances granted to the states and union territories

Codes

- A. 1,2,4
 B. 1,2,3,4
 C. 1 alone
 D. 2 and 3

Q19. Which of the following has contractionary effect?

- A. Deficit budget B. Surplus budget C. Balanced budget D. Zero base budget

Q20. The capital account of the balance of payment constitutes:

- A. Foreign loans B. Foreign direct investment C. Private remittances
 D. Portfolio investment

Codes

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

Q21. Speculation in foreign exchange market refers to:

- A. Accepting risk to make profits B. Careful hedging C. Interest arbitrage
 D. All of the above

Q22. Who said, "Economics is the study of mankind in the ordinary business of life"

- A. Robbins B. Adam Smith C. Kuznets D. Alfred Marshall

Q23. The proper sequence of stages of statistical study is:

- A. Analysis of data B. Presentation of data C. Interpretation of data
D. Organization of data

Codes

- A. 2,3,5,1,4
B. 5,4,2,3,1
C. 5,4,2,1,3
D. 4,5,2,3,1

Q24. Which of the following statements is/are not true?

- (1) Statistics is concerned with quantitative data only
(2) Statistics helps in forecasting
(3) Statistics in singular sense means data
(4) Any single numerical figure is statistics

Codes

- A. 1 and 2 only B. 2 and 3 only C. 3 and 4 only D. 1 and 4 only

Q25. Most useful measure of dispersion in case of open ended distribution is:

- A. Range B. Standard Deviation C. Mean deviation D. Quartile Deviation

Q26. Difference between Laspeyre's and Paasche's method is:

- A. Laspeyre uses current year quantity as weights and Paasche uses base year quantity as weights
B. Laspeyre uses base year quantity as weights and Paasche uses current year quantity as weights
C. Both A & B
D. None of these

Q27. Series in which lower limit of 1st class interval or upper limit of last class interval is missing is called:

- A. Inclusive series B. Exclusive series C. Mid – value series D. None of these

Q28. Which of the following statements is /are not correct:

- (1) Diagrammatic presentation is a tabular form of classified data
(2) A multiple bar diagram is used when a comparison is made between value on two or more variables
(3) Pie – diagram is a circle divided into sectors with area equal to the corresponding component
(4) Pictograms and cartograms are the same

Codes

- A. 1 & 2 only
B. 2 & 3 only
C. 3 & 4 only
D. 1 & 4 only

Q29. The First Five Year Plan of India was drafted by:

- A. P.C. Mahalanobis B. K.N. Raj C. J.C. Kumarappa D. Jawaharlal Nehru

- Q30. The Govt. of India has established NITI Aayog to replace:
 A. Human Rights Commission B. Finance Commission C. Law Commission
 D. Planning Commission
- Q31. In India, markets in agricultural products are regulated under:
 A. Essential Commodities Act, 1955
 B. Agricultural Produce Market Committee Act
 C. Agricultural Produce (Grading and Marketing Act), 1937
 D. Food Products Order, 1956 and Meat and Food Products Order, 1973
- Q32. The price at which the Govt. purchases food grains for manufacturing the public distribution system and for building up buffer stocks is called:
 A. Minimum support price B. Procurement price C. Issue price D. Ceiling price
- Q33. In India, which of the following have highest share in the disbursement of credit to agriculture and allied activities?
 A. Commercial banks B. Cooperative banks C. Regional rural banks
 D. Micro finance institutions
- Q34. Which of the following is not a non – conventional source of energy?
 A. Solar energy B. Biomass energy C. Geo- thermal energy D. Natural gas
- Q35. National Consumer Day is observed every year in India on :
 A. 24th December B. 24th November C. 24th October D. 24th september
- Q36. Which of the following is not a source of secondary data?
 A. Govt. publications B. Report of joint stock companies
 C. Semi–official publications D. Mailed questionnaires
- Q37. Stratified sampling is preferred where:
 A. Population is perfectly homogeneous B. Population is not homogeneous
 C. Random sampling is not possible D. Small samples are required
- Q38. Classification of data on the basis of place is called:
 A. Quantitative classification B. Temporal classification
 C. Spatial classification D. Dichotomous classification
- Q39. The Great Leap Forward campaign initiated in 1958 focused on:
 A. Spread of agriculture sector B. Spread of industrialization
 C. Spread of trade D. Disease control programme
- Q40. China adopted 'One Child Policy' in :
 A. 1979 B. 1980 C. 1981 D. 1982
- Q41. As per 2011 census, life expectancy of India is:
 A. 64 years B. 69 years C. 60 years D. 74 years
- Q42. Which of the following is the most appropriate measure of economic growth?
 A. Per capita income B. Human development index
 C. Per capita NDP D. Sustainable development index
- Q43. Which of the following is not the component of HDI?
 A. Life expectancy B. Education C. Reproductive health D. Living standard
- Q44. Which of the following was not the basic idea of industrial licensing policy of the government of India?
 A. Check on indiscriminate growth of the private industry B. Regional equality
 C. Establishment of industries in backward regions
 D. Development of basic and heavy industries

- Q45. Globalization has posed major challenges for:
A. Big producers B. Small producers C. Rural poor D. None of these
- Q46. Removing barriers or restrictions set by the government is called:
A. Liberalization B. Investment C. Favorable trade D. Free trade
- Q47. Where do MNC's choose to set up production?
A. Cheap goods B. Cheap labour resources C. Economic sustainability D. None of these.
- Q48. Food Availability Decline (FAD) term is coined by:
A. R.F. Harrod B. J.M. Keynes C. Prof. A.K.Sen D. J.S. Mill
- Q49. Which of the following is/are correct about the slope of the budget line?
A. It is given by the ratio of the prices of two goods
B. It is independent from the level of income
C. Both A & B D. None of these
- Q50. The rate which equates the supply price of a capital asset to its prospective yield is called:
A. Marginal efficiency of investment B. Marginal efficiency of capital
C. Marginal productivity of capital D. The market rate of interest

KEY (Integrated Economics)

1	C	26	B
2	C	27	D
3	C	28	D
4	A	29	B
5	C	30	D
6	B	31	B
7	C	32	B
8	D	33	A
9	C	34	D
10	B	35	A
11	D	36	D
12	B	37	B
13	C	38	C
14	B	39	B
15	B	40	A
16	A	41	B
17	C	42	C
18	B	43	C
19	B	44	D
20	B	45	B
21	D	46	A
22	D	47	B
23	C	48	C
24	C	49	A
25	C	50	B