CUET UG 2023 Economics Question Paper PDF (Jun 08, 2023) (Shift 1)

1. Which of the following is not a function of RBI.
   (A) Lender of last resort
   (B) Accepting deposits from general public
   (C) Open market operations
   (D) Moral Suasion
   Choose the correct answer from the options given below:
   (a) (A) and (B) only
   (b) (B) only
   (c) (B) and (C) only
   (d) (C) and (D) only

2. What is the type of economy in India?
   (a) Market Economy
   (b) Mixed Economy
   (c) Planned Economy
   (d) Non-Planned Economy

3. Sale of shares in public sector undertaking to private sector:
   (a) Increase assets of government.
   (b) Increase in liabilities of government.
   (c) Decrease in liabilities of government.
   (d) Decreases assets of government.

4. Arrange the following steps of Money Multiplier Process:
   (A) B comes to the bank for a loan.
   (B) C deposits all the money into a commercial bank.
   (C) A deposits money in a commercial bank.
   (D) D spends the money which becomes the income of C.
   (E) Commercial bank keeps CRR and give loan to B.
   Choose the correct answer from the options given below:
   (a) $A \rightarrow B \rightarrow C \rightarrow D \rightarrow E$
   (b) $E \rightarrow C \rightarrow D \rightarrow B \rightarrow A$
   (c) $C \rightarrow A \rightarrow E \rightarrow D \rightarrow B$
   (d) $B \rightarrow D \rightarrow A \rightarrow C \rightarrow E$

5. Identify correct statement from the following:
   (A) IPR-1956 divided industries into four categories.
   (B) Under utilisation of capacity results in industrial backwardness.
   (C) India opted for mixed economy system.
   (D) Industrial policy of 1956 laid emphasis on the role of private sector.
   Choose the correct answer from the options given below:
   (a) (A) and (B) only
   (b) (B) and (C) only
   (c) (C) only
   (d) (C) and (D) only

6. There are four alternative measures of money supply
   M1 (M1 Money) = CU + DD
   M2 = M1 + Saving deposits with Post Office saving bank
   CU = Currency (notes plus coins)
   DD = Net demand deposits
   M1 and M2 are known as ________ Money.
   (a) Narrow (b) Broad
   (c) Fiat (d) High

7. Interest Payment on debt incurred incomes by the government is
   (a) Revenue Receipts
   (b) Capital Receipts
   (c) Revenue Expenditure
   (d) Capital Expenditure

8. Which of the following is not a component of capital account?
   (a) External borrowing
   (b) External assistance
   (c) F.D.I.
   (d) Consists of Gifts, Remittances and Grants

9. Identify the function of money from points given below: Choose the correct option.
   (a) Medium of understanding
   (b) Medium of health
   (c) Medium of exchange
   (d) Medium of printing

10. Match List I with List II

	List I		List II
A.	Animal Husbandary	I.	Set up in 1982
B.	Organic Farming	II.	Implemented in Kerala in 1995
C.	NABARD	III.	Uses mixed crop-live stock farming system
D.	Kudumbashree	IV	Use of HYV seeds, chemical fertilisers & pesticides are reduced

Choose the correct answer from the options given below:

(a) A-I, B-II, C-III, D-IV
(b) A-III, B-IV, C-I, D-II
(c) A-III, B-IV, C-II, D-I
(d) A-IV, B-II, C-III, D-I

11. Choose the correct pair of statements from the set of statements in Column I and Column II

	Column I		Column II
A	Renewable resource	I.	Coal
B.	Non-Renewable resource	II.	Solar Energy
C.	Component of social infrastructure	III.	Energy
D.	Component of economic infrastructure	IV.	Education

Choose the correct answer from the option given below:

(a) A-I, B-II, C-III, D-IV (b) A-II, B-I, C-IV, D-III
(c) A-III, B-IV, C-I, D-II (d) A-IV, B-III, C-II, D-I

12. Identify the statement which doesn't relate to WTO

(a) It aims to liberalise international trade
(b) It was set up by Government of India to attract foreign companies to invest in India.
(c) It helps to remove trade barriers.
(d) It is successor to GATT (General Agreement on Trade & Tariff).

13. Match List I with List II

	List I		List II
A.	Externalities	I.	Kitchen Gardening
B.	Non-Monetary Exchanges	II.	Normal Wear & Tear
C.	Depreciation	III.	Taxes
D.	Leakages	IV.	Pollution by a Refinery

Choose the correct answer from the options given below:

(a) A-III, B-II, C-I, D-IV
(b) A-IV, B-I, C-II, D-III
(c) A-III, B-I, C-II, D-IV
(d) A-IV, B-II, C-I, D-III

14. Which components should be taken to show the aggregate demand

(A) Consumption
(B) Savings
(C) Deposits
(D) Investment
(E) Government expenditure

Choose the correct answer from the options given below:

(a) (B), (C) and (D) Only
(b) (A) (D) and (E) Only
(c) (C), (D) and (E) Only
(d) (A), (B) and (C) Only

15. The Percentage of deposits which a commercial bank must keep as cash reserves as decided by the Central Bank is called:

(a) Statutory Liquidity Ratio
(b) Cash Reserve Ratio
(c) Money Multiplier
(d) Repurchase Agreement

16. Arrange the following in chronological order:

(A) Great proletarian cultural revolution.
(B) Establishment of People's Republic of China.
(C) Great Leap Forward (GLF)
(D) China introduced One Child Policy

Choose the correct answer from the options given below:

(a) A, B, C, D (b) B, C, A, D
(c) C, D, B, A (d) D, B, C, A

17. India's balance of payment in an accounting year is surplus. So, to bridge the gap India imported Onion from Pakistan. This Transactions is known as

(a) Autonomous Transactions
(b) Automatic Transactions
(c) Accomodating Transactions
(d) Balancing Transactions

18. Match List I with List II

	List I		List II
A.	NDP_{mp}	I.	GDP_{mp} + NFIA
B.	GVA_{FC}	II.	COE + OS + MY
C.	GNP_{mp}	III.	GVA_{mp} - NIT
D.	NDP_{Fc}	IV.	GDP_{mp} - depreciation

Choose the correct answer from the options given below:

(a) A-IV, B-III, C-I, D-II
(b) A-IV, B-I, C-III, D-II
(c) A-I, B-IV, C-III, D-II
(d) A-III, B-II, C-I, D-IV

19. Most Multinational Corporation and even small companies are outsourcing their services to India mainly because of

(a) Cheaper cost, reasonable skill and accuracy
(b) Close to India, good speakers.
(c) Higher cost, reasonable manupulating skill
(d) Night time may be used

20. Mark the Correct option:

(a) In Normative economics analysis, we study how the different mechanism functions.
(b) In positive economic analysis we try to understand different mechanisms are desirable or not.
(c) Proper understanding of normative economics is possible without the understanding of positive economics.
(d) Positive economics and normative economics are related to each other.

21. Which of the following statements are correct about National Income aggregates?
(A) NNP - Depreciation = GNP
(B) NNP_{MP} + Subsidies = NNP_{FC} + Indirect Tax
(C) GNP = GDP + Net factor income from abroad
(D) $NNP_{FC} = NDP_{FC}$ + Net factor income from abroad
(E) $GDP_{FC} = GDP_{MP}$ + NIT
Choose the correct answer from the options given below:
(a) (A), (B) and (C) only (b) (B), (C) and (D) only
(c) (C), (D) and (E) only (d) (A), (D) and (E) only

22. Union Budget is the budget of:
(a) Local government (b) State Government
(c) Election Commission (d) Central Government

23. Measure the equilibrium income when consumption function is C=40+0.8Y, and Investment (I) = 20
(a) 150 (b) 100
(c) 200 (d) 300

24. Arrange the statements in the correct sequence relating to change in inventories.
(A) During the accounting year the firm produces ₹1,000 worth of goods and sells ₹800 worth of goods.
(B) This results in change in inventories worth ₹200.
(C) A firm had an unsold stock worth ₹100 at the beginning of the financial year.
(D) Hence the inventories at the end of the year is equal to ₹300.
Choose the correct answer from the options given below:
(a) A, B, C, D (b) A, C, B, D
(c) C, A, B, D (d) D, C, B, A

25. Siricilla Tragedy related to suicide of 50 Powerloom workers is the after effect of:
(a) Disinvestment
(b) Power Sector Reforms
(c) Agriculture Reforms
(d) Demonetisation

26. Find marginal propensity to save if consumption function is C = 40 + 0.8y
(a) 40.8 (b) 0.2 (c) –0.2 (d) –40.8

27. Capital Receipt is the receipt which:
(a) Increase Assets or Decrease Liability
(b) Decrease Assets or Increase Liability
(c) Decrease Assets or Decrease Liability
(d) Increase Assets or Increases Liability

28. Increase in price of foreign currency in terms of domestic currency is due to:
(a) Increase in export of goods.
(b) Increase in import of goods.
(c) Increase in FDI by non-resident in our country.
(d) Increase in International borrowing by country.

29. When government fiscal deficit is equal to interest payment of government, then Primary Deficit will be:
(a) Positive (b) Negative
(c) Equal to 1 (d) Zero

30. In 1955, the Village and Small Scale Industries Committee was made. It was named as:
(a) Subramanyan Committee
(b) Kothari Committee
(c) Ranjan Committee
(d) Karve Committee

31. The gap by which actual aggregate demand exceeds the aggregate demand required to establish full employment equilibrium level is known as
(a) Deflationary gap (b) Inflationary gap
(c) Excess demand (d) Deficient demand

32. The Micro-credit programmes are related to:
(a) NABARD
(b) AGMARK
(c) SHG's (Self help groups)
(d) RBI

33. Study of an industry is an example of:
(a) Micro Economics
(b) Macro Economics
(c) Welfare Economics
(d) Environment Economics

34. Arrange the following steps to be occured in a sequential order in order to increase the foreign exchange reserve of the economy:
A. Increase in purchasing power of non-residents.
B. More inflow of foreign exchange in the domestic market.
C. Export promotion of domestic goods & services.
D. Devaluation of Indian Currency (₹) by RBI.
E. More inflow of FDI's and FII's in domestic market.
Choose the correct answer from the options given below:
(a) C, D, E, A, B
(b) A, D, B, C, E
(c) D, A, C, E, B
(d) B, D, A, C, E

35. Which of the following is considered as injection of money in the economy's circular flow of income?
(a) Savings
(b) Investments
(c) Tax Payments to government
(d) Payment for imports

36. The RBI can influence money supply by changing the rate at which it gives loans to the commercial banks. This rate is called ________ in India.
(a) Repo Rate (b) Reverse Repo Rate
(c) Bank Rate (d) Fixed Rate

37. Match List I with List II

	List I		List II
A.	Opening of Suez Canal	I.	1907
B.	First Census in British India	II.	1932
C.	TISCO	III.	1869
D.	Establishment of Tata Airlines	IV	1881

Choose the correct answer from the options given below:

(a) A-II, B-I, C-IV, D-III (b) A-IV, B-I, C-III, D-II
(c) A-III, B-IV, C-I, D-II (d) A-I, B-II, C-III, D-IV

38. Identify the example which is not considered as Leakage in circular flow of Income and also affecting the balance of payment of an economy.
(a) Import of visible items.
(b) Export of invisible items.
(c) Taxes on foreign direct investment.
(d) Foreign companies sending their corporate savings.

39. Match List I with List II

	List I		List I
A.	Feature of Industrial Development (1950-90)	I.	Large Scale Industries
B.	Problem of ndustrial Development (1950-90)	II.	Licensing System
C.	Capital Intensive Techniques	III.	Mahalanobis Model
D.	Labour Intensive Techniques	IV.	Small Scale Industries

Choose the correct answer from the options given below:

(a) A-III, B-II, C-I, D-IV (b) A-IV, B-III, C-II, D-1
(c) A-II, B-III, C-IV, D-I (d) A-II, B-III, C-I, D-IV

40. Which of the following is true?
(a) PPC is parallel to X-axis
(b) PPC is downward sloping curve
(c) PPC is upward sloping curve
(d) PPC is sometimes downward sloping curve

DIRECTIONS (Qs. 41-45) : *Read the passage given below and answer the question.*

Agriculture is primary occupation in rural India. It can't provide work to the rural population of the country throughout the year. In absence of multiple cropping & diversification of agricultural activities, a large population remains idle for almost half a year. India is also suffering from disguised unemployment due to excessive pressure of population. In disguised unemployment it seems that everyone is employed but in reality, sufficient full time work is not available for all. Unemployment problem in India is the result of inadequate employment planning, slow growth rate, backwardness in agriculture and industrial sector, population explosion etc. Government should try to support skill and retraining activities to address the gaps between demand and supply of work skills and qualifications. Problem of unemployment is leading to fatal results for the economy and restricting India's growth rate.

41. Find the odd man out after reading the given case study:
(a) Slow growth rate
(b) Industrial backwardness
(c) Population control
(d) Stagnant agriculture

42. In disguised unemployment, people are:
(a) Underemployed
(b) Over employed
(c) Voluntarily Unemployed
(d) Seeking Employment

43. Which type of unemployment is referred to in first paragraph?
(a) Disguised Unemployment
(b) Seasonal Unemployment
(c) Structural Unemployment
(d) Frictional Unemployment

44. Which of the following shows the phenomenon of Jobless growth?
(a) Less employment less output
(b) More employment more output
(c) Less employment more output
(d) More employment less output

45. निम्नलिखित में क्या बेरोज़गारी का सामाजिक परिणाम नहीं है?
(a) वर्ग संघर्ष (b) सामाजिक अशांति
(c) खराब जीवन स्तर (d) कम उत्पादन

DIRECTIONS (Qs. 46-50) : *Read the passage given below and answer the question.*

Sita and Geeta are two close friends and both are graduate working women. Sita is an economic graduate and doing research in economics while Geeta is a customer relation manager in a multinational company. In 1st January, 2023 both the friends decided to go out for a dinner to celebrate new year. Geeta is fond of Ice-Cream (Orange bar) and has decided to buy from a street vendor at ₹ 10/unit after discount. She has also offered to Sita but Sita denied as having throat infection.
Geeta has resquested to Sita to apply economics principles and to respond, when she should be stopped consuming more ice-cream. On consuming 3rd unit of Ice-cream, Geeta has obtained additional satisfication of 18 units while the marginal utility of a rupee is 2 utits.

46. Identify the approach through which Geeta is seeking to obtain her state of rest with respect to consuming ice-cream.
   (a) Ordinal Approach
   (b) Cardinal Approach
   (c) Quasi Ordinal Approach
   (d) Quasi Utility Approach

47. State the condition of consumer equilibrium in case of single commodity which is being used by Sita to suggest her friend Geeta whether to consume more units of Ice-creams or not.
   (a) Price of the Good = Marginal Utility of the good (in utits)
   (b) Price of the Good = Marginal Utility of a Rupee (in utits)
   (c) Price of the Good = Marginal Utility of the good (in Rupees)
   (d) Price of the Good = Maringal rate of Subsitution.

48. Suppose that you are Sita, being good friend of Geeta you are required to suggest her whether Geeta should stop herself or to consume more unit of Ice-cream. (Identify the correct option.)
   (a) Geeta is in surplus and should consume more units of ice-cream.
   (b) Geeta is in equilibrium and should not consume more units of Ice-cream.
   (c) Geeta is in deficit, hence she should not consume more units of Ice-cream.
   (d) Cannot say as given information is incomplete to respond.

49. If the price of Ice-ream (Orange bar) falls from ₹10/unit to ₹8 unit, what change you will observe in the behaviours of Geeta if she is a rational consumer.
   (a) Geeta will be in surplus, hence will consume more.
   (b) Geeta will obtain her equilibrium
   (c) Geeta will be in deficit, hence will avoid consuming more
   (d) Geeta will consume more even she is in deficit

50. Which of the following is not the assumption of Utility Approach.
   (a) Price of the commodity remain constant.
   (b) Law of diminshing marginal utility exists.
   (c) Utility is expressed in terms of utits.
   (d) Consumer is having monotonic Preferences.