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Maximum Weight : 5

MCQ—MACRO ECONOMIC ANALYSIS

Section II

[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]

UG CBCSS INTERNAL EXAMINATION, JUNE 2026

DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN SECTION II OF THE QUESTION PAPER

Answer all questions.

All questions carry equal weight.

Put a tick mark [✓] in the column against the correct answer.

1. Which of the following is not related to commodity money ?

(A) All commodities were not uniform in quality.

☐

(B) It is difficult to store and prevent the loss of value.

☐

(C) They lacked portability.

☐

(D) There was no problem of coincidence of wants.

☐

2. Which of the following is not correctly matched ?

(A) Bows and arrows - used as money in the hunting society.

☐

(B) Cattles - used as money in the pastoral society.

☐

(C) Grains - used as money by the agricultural society.

☐

(D) Gold and silver coins - used as money in which the face value is greater than its intrinsic value.

☐

3. 'Stagflation' is a situation where the economy faces.

(A) Inflation.

☐

(B) Stagnation.

☐

(C) Inflation as well as stagnation.

☐

(D) None of the above.

☐

Turn over





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4. Cost - push inflation arises due to :

(A) Rise in wages.

☐

(B) Rise in profit.

☐

(C) Rise in the prices of raw materials.

☐

(D) All of the above.

☐

5. The RBI set up in the year :

(A) 1921.

☐

(B) 1935.

☐

(C) 1947.

☐

(D) 1951.

☐

6. Bank rate refers to :

(A) Discount rate.

☐

(B) Market rate.

☐

(C) Rediscount rate.

☐

(D) None of the above.

☐

7. The quantity theory of money was developed by :

(A) Marshall.

☐

(B) Keynes.

☐

(C) Ricardo.

☐

(D) Fisher.

☐

8. WPI is used for policy making at :

(A) Micro level.

☐

(B) Macro level.

☐

(C) Both.

☐

(D) None.

☐

9. The Working Group for the Revision of Wholesale Price Index Number headed by :

(A) Prof. Abhijit Sen.

☐

(B) Kelkar.

☐

(C) Ahluwalia.

☐

(D) Tarapore.

☐



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10. The working group in India include in the age :

- | | | | |
|-------------------|--------------------------|-------------------|--------------------------|
| (A) 14 to 55. | ☐ | (B) 15 to 59. | ☐ |
| (C) 20 and above. | ☐ | (D) 25 and above. | ☐ |

11. The main type of un employment referred by the Post-Keynesians :

- | | | | |
|-------------------|--------------------------|------------------|--------------------------|
| (A) Voluntary. | ☐ | (B) Involuntary. | ☐ |
| (C) Natural rate. | ☐ | (D) None. | ☐ |

12. The percentage of deposits of commercial banks statutorily kept with the RBI is :

- | | | | |
|-------------------------|--------------------------|--------------------------------|--------------------------|
| (A) Cash Reserve Ratio. | ☐ | (B) Statutory Liquidity Ratio. | ☐ |
| (C) Repo Rate. | ☐ | (D) None of these. | ☐ |

13. The trough of a business cycle occurs when ————— hits its lowest point.

- | | |
|----------------------------------|--------------------------|
| (A) Inflation. | ☐ |
| (B) The money supply. | ☐ |
| (C) Aggregate economic activity. | ☐ |
| (D) The unemployment rate. | ☐ |

14. When aggregate economic activity is declining, the economy is said to be in :

- | | | | |
|--------------------|--------------------------|----------------------|--------------------------|
| (A) A contraction. | ☐ | (B) An expansion. | ☐ |
| (C) A trough. | ☐ | (D) A turning point. | ☐ |

Turn over





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15. What are the two main components of business cycle theories ?

(A) A description of shocks and a model of how the economy responds to them.

☐

(B) A model of how people decide to spend and a description of the government's role in the economy.

☐

(C) A model of how equilibrium is reached and a description of the government's role in the economy.

☐

(D) A description of shocks and a description of the government's role in the economy.

☐

16. Which of the following is not a measure of selective credit control ?

(A) Variable reserve ratio.

☐

(B) Regulation of margin requirements.

☐

(C) Regulation of consumer credit.

☐

(D) Rationing of credit.

☐

17. Deflation means :

(A) Falling price level.

☐

(B) Rise in price level.

☐

(C) Increase value of money.

☐

(D) None.

☐

18. The rate of inflation in walking inflation is :

(A) Between 3 to 10 %.

☐

(B) Below 3 %.

☐

(C) More than 10 %.

☐

(D) More than 3 %.

☐

19. In business cycle, depression is followed by :

(A) Boom.

☐

(B) Recovery.

☐

(C) Recession.

☐

(D) None of the above.

☐



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20. The ratio of money supply to high powered money is :

(A) SLR.

(B) CRR.

(C) Money Multiplier.

(D) Bank rate.

No. of MCQs attempted

Weight Scored

(To be entered by the examiner)

No. of MCQs not attempted

**ATTACH SECTION II INTERNAL EXAMINATION MCQ PAPER WITH
THE MAIN ANSWER-BOOK**

