

CUET 2026 May 11 Shift 2 Economics

Question Paper (Memory-Based) PDF

Conducted by National Testing Agency (NTA)



General Instructions

- (i) The examination will be conducted in Computer-Based Test (CBT) mode.
- (ii) Each question carries +5 marks for correct answer and -1 mark for wrong answer.
- (iii) The total number of questions are 50.
- (iv) Duration of the exam is 1 hour (60 minutes).

1. In a hypothetical economy, the Cash Reserve Ratio (CRR) is 20% and the initial deposit is 100. How much money can the bank lend in the first round?

- (A) 80
- (B) 100
- (C) 120
- (D) 90

2. Match the following:

List-I

- A. Primary Deficit
- B. Fiscal Deficit
- C. Revenue Deficit
- D. Revenue Expenditure

List-II

- I. Net borrowing at home + Borrowing from RBI + Borrowing from abroad
- II. Fiscal deficit - Net interest liabilities
- III. Revenue expenditure - Revenue receipts
- IV. Plan and non-plan expenditure

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

- (C) A-I, B-II, C-IV, D-III
(D) A-III, B-IV, C-I, D-II
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3. The set of all possible combinations of two inputs that produce the same level of output is known as:

- (A) Isocost
(B) Indifference Curve
(C) Isoquant
(D) Budget Line
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4. When goods are financed through the government budget and can be used without any direct payment, they are known as:

- (A) Public Goods
(B) Public Provision
(C) Public Production
(D) Private Goods
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5. Match the following:

List-I

- A. M1
B. M3
C. Net Worth
D. Money Multiplier

List-II

- I. M1 + Net time deposits of commercial banks
II. Assets - Liabilities
III. $\frac{1}{CRR}$
IV. Currency + Demand Deposits

- (A) A-I, B-II, C-III, D-IV
(B) A-IV, B-I, C-II, D-III
(C) A-I, B-II, C-IV, D-III
(D) A-III, B-IV, C-I, D-III
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6. Identify the correct statement regarding final goods:

- (A) They pass through various stages of production
 - (B) They undergo transformation by retailers
 - (C) They do not undergo any further stages of production or transformation
 - (D) They are resold by traders
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7. An economic system in which individuals are free to interact and carry out their economic activities without central control is known as:

- (A) Centrally Planned Economy
 - (B) Mixed Economy
 - (C) Market Economy
 - (D) Colonised Economy
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8. Match the following:

List-I

- A. Production Function
- B. Constant Returns to Scale
- C. Increasing Returns to Scale
- D. Decreasing Returns to Scale

List-II

- I. $f(tx_1, tx_2) > tf(x_1, x_2)$
- II. $f(tx_1, tx_2) < tf(x_1, x_2)$
- III. $f(x_1, x_2)$
- IV. $f(tx_1, tx_2) = tf(x_1, x_2)$

- (A) A-I, B-II, C-III, D-IV
 - (B) A-III, B-I, C-IV, D-II
 - (C) A-I, B-II, C-IV, D-III
 - (D) A-III, B-IV, C-I, D-II
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9. Individuals or institutions that take economic decisions are known as:

- (A) Consumers
 - (B) Producers
 - (C) Government
 - (D) Economic Agents
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10. In which year was the book “The Economic Consequences of the Peace” written by John Maynard Keynes?

- (A) 1909
 - (B) 1919
 - (C) 1929
 - (D) 1936
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