CUET Economics 2025 Question Paper

Time Allowed : 1 Hour	Maximum Marks : 250	Total Questions : 50

General Instructions

Read the following instructions very carefully and strictly follow them:

The test is of 1 hour duration.

2. The question paper consists of 50 questions. The maximum marks are 250.
3. 5 marks are awarded for every correct answer, and 1 mark is deducted for every wrong answer.

1. The following data shows the number of students in different streams in a school:

Stream	Number of Students
Science	120
Commerce	80
Arts	100

Which type of graph is best suited to represent this data?

(1) Bar Graph

(2) Pie Chart

(3) Line Graph

(3) None of them

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2. The following data represents the income of a country for a year:

Particulars	Amount (in Crores)
Net Domestic Product (NDP) at market price	8000
Indirect Taxes	1000
Subsidies	500
Depreciation	600

Calculate the National Income (NI) of the country.

(1) 8500 Crores

(2) 9000 Crores

(3) 9500 Crores

(4) 10000 Crores

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3. A country's exports are valued at 800 crore, and its imports are valued at 950 crore in a given year. Due to a trade agreement, the country receives a 10% bonus on its export value from a partner nation. What is the effective trade balance of the country after accounting for the bonus?

(1) 30 crore surplus

(2) 30 crore deficit

(3) 70 crore deficit

(4) 70 crore surplus

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4. Which of the following best explains why a country might impose tariffs on imported goods?

(1) To increase the volume of imports and promote free trade

(2) To protect domestic industries from foreign competition

(3) To reduce the country's export revenue

(4) To eliminate the trade deficit completely

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5. What is the primary impact of a country devaluing its currency on its exports and imports?

(1) Exports become more expensive, and imports become cheaper

(2) Exports become cheaper, and imports become more expensive

(3) Both exports and imports become cheaper

(4) Both exports and imports become more expensive

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6. If the value of the Investment Multiplier is 5 and the increase in national income is Rs 800 crore, what is the corresponding increase in investment?

(1) Rs 100 crore

(2) Rs 160 crore

(3) Rs 200 crore

(4) Rs 250 crore

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7. Which of the following statements about monetary policy tools are correct?

(1) Open Market Operations involve the buying and selling of government securities.

(2) Discount rates control the supply of money.

(3) Cash Reserve Ratio affects the inflation rate directly.

(4) Both (1) and (2) are correct.

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8. The Paradox of Thrift refers to:

(1) Higher savings lead to lower investment.

(2) Higher savings increase national income in the long run.

(3) Higher savings during recessions can reduce national income.

(4) None of the above.

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9. Fiscal deficit is defined as:

(1) The total amount of money the government borrows.

(2) The difference between government expenditure and revenue.

(3) The total amount of government debt.

(4) Government borrowing from international sources.

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10. The narrow measure of money supply is known as:

(1) M1

(2) M2

(3) M3

(4) M4
