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प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series

A

B.Com. (Honors) (First Semester)
Examination, February/March-2022
BCHO-104

Principles of Economics

(for Regular, B.P. & Ex Students)

Time : 1:30 Hours

Maximum Marks-100

जब तक कहा न जाय, इस प्रश्नपुस्तिका को न खोलें

- निर्देश : —
1. परीक्षार्थी अपने अनुक्रमांक, विषय एवं प्रश्नपुस्तिका की सीरीज का विवरण यथास्थान सही— सही भरे, अन्यथा मूल्यांकन में किसी भी प्रकार की विसंगति की दशा में उसकी जिम्मेदारी स्वयं परीक्षार्थी की होगी।
 2. इस प्रश्नपुस्तिका में 100 प्रश्न हैं, जिनमें से केवल 75 प्रश्नों के उत्तर परीक्षार्थियों द्वारा दिये जाने हैं। प्रत्येक प्रश्न के चार वैकल्पिक उत्तर प्रश्न के नीचे दिये गये हैं। इन चारों में से केवल एक ही उत्तर सही है। जिस उत्तर को आप सही या सबसे उचित समझते हैं, अपने उत्तर पत्रक (O.M.R. ANSWER SHEET) में उसके अक्षर वाले वृत्त को काले या नीले बाल प्वाइंट पेन से पूरा भर दें। यदि किसी परीक्षार्थी द्वारा निर्धारित प्रश्नों से अधिक प्रश्नों के उत्तर दिये जाते हैं तो उसके द्वारा हल किये गये प्रथमतः यथा निर्दिष्ट प्रश्नोत्तरों का ही मूल्यांकन किया जायेगा।
 3. प्रत्येक प्रश्न के अंक समान हैं। आप के जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
 4. सभी उत्तर केवल ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर ही दिये जाने हैं। उत्तर पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
 5. ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाय।
 6. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी प्रश्नपुस्तिका बुकलेट एवं ओ०एम०आर० शीट पृथक—पृथक उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें।
 7. निगेटिव मार्किंग नहीं है।

महत्वपूर्ण : — प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्नपुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्ष निरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्नपुस्तिका प्राप्त कर लें।

1. An indifference curve analysis is an example of _____ utility approach.
 - (A) Cardinal
 - (B) Ordinal
 - (C) Form
 - (D) Place
2. The concept of product differentiation was introduced by :
 - (A) TR Malthus
 - (B) JM Keynes
 - (C) Mrs. Robinson
 - (D) Chamberlin
3. In “Perfect competition” firms are :
 - (A) Price maker
 - (B) Price influencer
 - (C) Price taker
 - (D) None of the above
4. The income elasticity of demand is negative for a :
 - (A) Positive good
 - (B) Normal good
 - (C) Elastic good
 - (D) Inferior good
5. Consumer’s equilibrium was explained by _____ through utility analysis.
 - (A) Adam Smith
 - (B) Alfred Marshall
 - (C) David Ricardo
 - (D) J.M. Keynes
6. Economics is a science which deals with _____.
 - (A) Matters and substance
 - (B) Chemicals and reactions
 - (C) Human wants
 - (D) Numbers and combinations

7. Macroeconomics deals with _____ economic entities.
- (A) Aggregate
 - (B) Individual
 - (C) Micro
 - (D) Unit
8. An indifference curve must be _____ to the origin.
- (A) Convex
 - (B) Concave
 - (C) Straight
 - (D) Kinked
9. The necessary condition of consumer's equilibrium is _____.
- (A) $MRS_{xy} > P_x/P_y$
 - (B) $MRS_{xy} < P_x/P_y$
 - (C) $MRS_{xy} = P_x/P_y$
 - (D) $MRS_{xy} \neq P_x/P_y$
10. What do you mean by the supply of goods ?
- (A) Stock available for sale
 - (B) Total stock in the warehouse
 - (C) Quantity of the food offered for sale at a particular price per unit of time
 - (D) None of the above
11. Which of the following is also known as International Bank for Reconstruction and Development ?
- (A) World Bank
 - (B) Asian Development Bank
 - (C) Reserve Bank of India
 - (D) International Monetary Fund

12. The new world Trade Organization (WTO), which replaced the GATT came into effect from _____ :
- (A) 1st January 1991
 - (B) 1st January 1994
 - (C) 1st January 1995
 - (D) 1st May 1995
13. Whose name is associated with the “Uncertainty-bearing theory of profit” ?
- (A) J. Schumpeter
 - (B) F.H. Knight
 - (C) J.B. Clark
 - (D) F.W. Walker
14. Demand for factors of production is :
- (A) Joint demand
 - (B) Derived demand
 - (C) Both (A) & (B)
 - (D) None of the above
15. Under the imperfect market, the market in which two firms exists is called as :
- (A) Monopoly
 - (B) Oligopoly
 - (C) Duopoly
 - (D) Monopolistic competition
16. What is known as the study of individual units ?
- (A) Macroeconomics
 - (B) Microeconomics
 - (C) Income and Employment Theory
 - (D) Development economics

17. What is the main cause of all economic problems ?
- (A) Abundance
 - (B) Convenience
 - (C) Scarcity
 - (D) None of these
18. Who is known as the father of Economics ?
- (A) Adam Smith
 - (B) J.M. Keynes
 - (C) Samuelson
 - (D) Hicks
19. Economic is a science which deals with_____.
- (A) Matters and substance
 - (B) Chemicals and reactions
 - (C) Human wants and resources
 - (D) Numbers and combinations
20. Market_____ is derived by adding up all the individual demand.
- (A) Demand
 - (B) Supply
 - (C) Price
 - (D) None of these
21. Which of the following shows the inverse relationship between the price of a good and the amount of the good that consumers want at that price ?
- (A) Supply curve
 - (B) Demand curve
 - (C) Supply schedule
 - (D) Productions possibility curve
22. Reasons for change in Demand (Increase or Decrease in Demand) :
- (A) Change in related goods
 - (B) Change in taste and preference
 - (C) Change income of consumer
 - (D) All of the above

23. By 'profits', the accountant means total revenue minus_____.
- (A) Opportunity costs
 - (B) Implicit costs
 - (C) Explicit costs + implicit costs
 - (D) None of the above
24. The cross elasticity of demand is defined as :
- (A) The ratio of percentage change in the demand to the percentage change in price
 - (B) The ratio of percentage change in the demand for a given product to the percentage change in the price of a related other product
 - (C) The ratio percentage change in the demand for product X to the percentage change in the demand for product Y
 - (D) The ratio of two different elasticities
25. A demand curve has a _____ slope.
- (A) Upward
 - (B) Positive
 - (C) Negative
 - (D) Concave
26. What does the term 'marginal' in economics mean ?
- (A) Additional
 - (B) Unimportant
 - (C) Minimum unit
 - (D) None of the above
27. Utility is generally related to ?
- (A) Satisfaction
 - (B) Necessary
 - (C) Useless
 - (D) Useful

28. When the marginal utility is equal to zero, what will the total utility be ?
- (A) Maximum
 - (B) Laws of return
 - (C) Minimum
 - (D) None of the above
29. When MU is positive, what happens to TU ?
- (A) It decreases
 - (B) It becomes the highest
 - (C) It remains constant
 - (D) It increases
30. Deductive method proceeds from :
- (A) General to the particular
 - (B) Particular to the particular
 - (C) Both (A) and (B)
 - (D) None
31. The tangency between indifference curve and price line shows _____ :
- (A) Consumer's surplus
 - (B) Consumer's equilibrium
 - (C) Consumer demand
 - (D) Consumer budget
32. _____ Effect = Income Effect + Substitution Effect :
- (A) Price
 - (B) Consumption
 - (C) Production
 - (D) Combine
33. The famous book on economics "An Enquiry into the Nature and Cause of Wealth of Nation" was written by :
- (A) Marshal
 - (B) Ricardo
 - (C) Robins
 - (D) Adam Smith

34. Cartel is formed in which market condition :
- (A) Monopoly
 - (B) Oligopoly
 - (C) Monopolistic
 - (D) Perfect Competition
35. The intersection point of demand and supply :
- (A) In equilibrium
 - (B) Equilibrium
 - (C) Intersection
 - (D) Disequilibrium
36. The budget line is also known as the :
- (A) Iso-utility curve
 - (B) Production possibility line
 - (C) Isoquant
 - (D) Consumption possibility line
37. Diminishing marginal utility is the basis of :
- (A) Law of supply
 - (B) Law of demand
 - (C) Law of returns
 - (D) None of the above
38. Ceteris Paribus means :
- (A) Other things remaining same
 - (B) All variables are independent
 - (C) Enable economists to simplify reality
 - (D) That no other assumption are made
39. MRS stands for :
- (A) Marginal Rate of Technical Substitution
 - (B) Marginal Rate of Supplementary
 - (C) Marginal Rate of Substitution
 - (D) None

40. $TR=TC$ is :
- (A) Break Even Point
 - (B) Profit
 - (C) Loss
 - (D) None
41. Which of the following cost curves is never U-shaped ?
- (A) Average cost curve
 - (B) Marginal cost curve
 - (C) Average variable cost curve
 - (D) Average fixed cost curve
42. Which Economist divided Economics in two branches of micro and macro on the basis of economic activity ?
- (A) Marshall
 - (B) Ricardo
 - (C) Ragnar Frisch
 - (D) None of these
43. 'Micros', which means 'Small' belongs to :
- (A) Arabian word
 - (B) Greek word
 - (C) German word
 - (D) English word
44. Which of the following is a type of economic activities ?
- (A) Production
 - (B) Consumption
 - (C) Exchange and Investment
 - (D) All of these
45. Economy may be classified as :
- (A) Capitalist
 - (B) Socialist
 - (C) Mixed
 - (D) All of these

46. Which economy has a co-existence of private and public sectors ?
- (A) Capitalist
 - (B) Socialist
 - (C) Mixed
 - (D) None of these
47. Which of the following is a resource of production ?
- (A) Land
 - (B) labour
 - (C) Capital
 - (D) All of these
48. Who said, "Economics is science of wealth."
- (A) Marshall
 - (B) Robbins
 - (C) Adam Smith
 - (D) J.K. Mehta
49. The central problem of an economy is :
- (A) What to produce ?
 - (B) How to produce ?
 - (C) How to distribute produced goods ?
 - (D) All of these
50. If the income elasticity of demand is greater than one, the good is a :
- (A) Necessity
 - (B) Luxury
 - (C) Substitute
 - (D) Complement

51. Two goods that are used jointly to provide satisfaction are called :
- (A) Inferior goods
 - (B) Normal goods
 - (C) Complementary goods
 - (D) Substitute goods
52. Demand curve slopes downwards because of :
- (A) The law of diminishing marginal utility
 - (B) The income effect
 - (C) Substitution effect
 - (D) All of the above
53. Bread and Butter are :
- (A) Inferior goods
 - (B) Normal goods
 - (C) Complementary goods
 - (D) Substitute goods
54. Which of the following is a short run law :
- (A) Law of diminishing returns
 - (B) Law of constant returns to scale
 - (C) Law increasing returns to scale
 - (D) None of these
55. Duopoly is :
- (A) Another name for monopoly
 - (B) Special type of monopolistic competition
 - (C) Two firm oligopoly
 - (D) None of these
56. Positive economics deals with :
- (A) What is
 - (B) What ought to be
 - (C) Both (A) or (B)
 - (D) None of these

57. Micro economics deals with :
- (A) Inflation in the country
 - (B) The economic behavior of an individual unit
 - (C) The per capita income
 - (D) The problems of poverty and unemployment in the country
58. Economics is a science because :
- (A) Systematised study
 - (B) Scientific laws
 - (C) Has its own methodology
 - (D) All the above
59. Normative statements concern :
- (A) What was
 - (B) What is the normal situation
 - (C) What will be
 - (D) What ought to be
60. In a socialist economy, the basic force of economic activity is profit. This statement is :
- (A) Correct
 - (B) Incorrect
 - (C) Partially correct
 - (D) None of these
61. The interference of the government is very limited in :
- (A) Socialist economy
 - (B) Capitalist economy
 - (C) Mixed economy
 - (D) All the above
62. Micro economics is also known as :
- (A) Price theory
 - (B) Slicing method
 - (C) Product theory
 - (D) Both (A) and (B)

63. Economics is an art as :
- (A) It teaches us to do
 - (B) It provides practical solutions to various economic problems
 - (C) It is practice of knowledge
 - (D) All the above
64. Capital intensive technique would be chosen in a :
- (A) Labour surplus economy where the relative price of capital is lower
 - (B) Capital surplus economy where the relative price of capital is lower
 - (C) Developed economy where technology is better
 - (D) Developing economy where technology is poor
65. All of the following are within the scope of Economics except :
- (A) Production
 - (B) Risk Analysis
 - (C) Consumer Behaviour
 - (D) Accounting Standards
66. The problem of what goods and services are produced and how much, is covered by the general term :
- (A) Resource allocation
 - (B) Choice of technique of production
 - (C) Distribution
 - (D) Macro-economics
67. In a competitive economy, the uncrowned king is :
- (A) Government
 - (B) Producer
 - (C) Consumer
 - (D) Seller

68. Both private and public sectors exist side by side in :
- (A) China
 - (B) U.S.A.
 - (C) India
 - (D) Russia
69. The term 'Economics' owes its origin to the Greek word.
- (A) Aikonomia
 - (B) Wikonornia
 - (C) Oikonomia
 - (D) None of the above
70. According to Robbins, 'means' are :
- (A) Scarce
 - (B) Unlimited
 - (C) Undefined
 - (D) All of these
71. Who defines Economics in terms of Dynamic Growth and Development ?
- (A) Robbins
 - (B) Paul A Samuelson
 - (C) Adam Smith
 - (D) None of these
72. Which of the following is not included in Economics ?
- (A) Family Structure
 - (B) Managerial Economics
 - (C) Micro Economics
 - (D) Macro Economics

73. In inductive method, logic proceeds from :
- (A) General to Particular
 - (B) Particular to General
 - (C) Both (A) and (B)
 - (D) None of these
74. Economic Problem arises when :
- (A) Wants are unlimited
 - (B) Resources are limited
 - (C) Alternative uses of resources
 - (D) All of the above
75. A curve which first move upwards then down wards is naturally_____ :
- (A) Marginal Utility Curve
 - (B) Average Utility Curve
 - (C) Total Utility Curve
 - (D) Demand Curve
76. What is called the point of satiety ?
- (A) The point where $MU > 0$
 - (B) The point where $MU < 0$
 - (C) The point where $MU = 0$
 - (D) None of these
77. _____ states that marginal utility of a good diminishes as the consumer consumes additional units of a good.
- (A) The Law of Equi-Marginal Utility
 - (B) The Law of Diminishing Marginal Utility
 - (C) Revealed Preference theory
 - (D) None of the above

78. The cardinal approach to utility assumes marginal utility of money is :
- (A) Zero
 - (B) Constant
 - (C) Increasing Trend
 - (D) Decreasing Trend
79. When only ONE unit of the commodity is consumed :
- (A) $MU = TU$
 - (B) $MU > TU$
 - (C) $MU < TU$
 - (D) None of these
80. The shape of MU curve is :
- (A) Upward sloping
 - (B) Concave to origin
 - (C) Downward sloping
 - (D) Straight line
81. TU starts diminishing when :
- (A) MU is positive
 - (B) MU is increasing
 - (C) MU is negative
 - (D) MU is constant
82. TU curve :
- (A) Always rises
 - (B) Always falls
 - (C) First falls and then rises
 - (D) First a rises at a diminishing rate, reaches maximum point and then falls

83. All but one of the following commodities has elastic demand. Which one has inelastic demand ?
- (A) Coca-Cola
 - (B) Butter for poor person
 - (C) Cigarettes
 - (D) Electricity
84. For good with less elastic demand :
- (A) $\Delta q > \Delta p$
 - (B) $\Delta q = \Delta p$
 - (C) $\Delta q < \Delta p$
 - (D) None of the above
85. A movement along the demand curve means :
- (A) Expansion of demand
 - (B) Contraction of demand
 - (C) Changes in the quantity demanded
 - (D) All the above
86. The Law of Demand was propounded by _____ in his book 'Principle of Economics'.
- (A) Lord Keyens
 - (B) Adam Smith
 - (C) Dr. Alfred Marshall
 - (D) Ragnar
87. The Law of Demand is applicable for _____.
- (A) Giffen's Goods
 - (B) Prestige Goods
 - (C) Necessary Goods
 - (D) Normal Goods

88. The demand for necessities is _____.
- (A) Highly elastic
 - (B) Highly inelastic
 - (C) Slightly elastic
 - (D) Slightly inelastic
89. In case of Expansion and Contraction of Demand, the demand curve :
- (A) Shifts to the right
 - (B) Shifts to the left
 - (C) Remains the same
 - (D) None of the above
90. Law of Demand fails in case of :
- (A) Normal goods
 - (B) Giffen goods
 - (C) Inferior goods
 - (D) Both (B) and (C)
91. The Law of Demand refers to functional relation between :
- (A) Price & Supply
 - (B) Price & Cost
 - (C) Price & Income
 - (D) Price & Demand
92. Giffen goods are :
- (A) Normal goods
 - (B) Inferior goods
 - (C) Luxury goods
 - (D) Neutral goods

93. Which of the following is not a complementary good for pen?
- (A) Refills
 - (B) Paper
 - (C) Notebook
 - (D) Rice
94. Price Elasticity of Demand is given by :
- (A) $\frac{\Delta p}{\Delta q} \times \frac{q}{p}$
 - (B) $\frac{\Delta p}{\Delta q} \times \frac{p}{q}$
 - (C) $\frac{\Delta q}{\Delta p} \times \frac{q}{p}$
 - (D) $\frac{\Delta q}{\Delta p} \times \frac{p}{q}$
95. _____ is a tabular presentation showing different quantities demanded by buyers at different levels of prices in a given period.
- (A) Supply Schedule
 - (B) Demand Schedule
 - (C) Production Schedule
 - (D) Cost Schedule
96. Derived demand of a good is also known as _____ demand.
- (A) Direct
 - (B) Indirect
 - (C) Joint
 - (D) Competitive
97. When price of commodity rises, the demand for it _____.
- (A) Rises
 - (B) Falls
 - (C) Remain constant
 - (D) Becomes negative

98. _____ goods are those which are used for final consumption.
- (A) Durable
 - (B) Producer's
 - (C) Non-Durable
 - (D) Consumer's
99. With a fall in the price of a commodity :
- (A) Consumer's real income increases
 - (B) Consumer's money income increases
 - (C) Consumer's real income falls
 - (D) Consumer's money income falls
100. The Law of Demand is explained by :
- (A) Cardinal approach
 - (B) Ordinal approach
 - (C) Both (A) and (B)
 - (D) Neither (A) nor (B)

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