

Roll No.-----

<b>Paper Code</b>		
<b>4</b>	<b>7</b>	<b>2</b>
(To be filled in the OMR Sheet)		

प्रश्नपुस्तिका क्रमांक  
Question Booklet No.

O.M.R. Serial No.

--	--	--	--	--	--	--	--

प्रश्नपुस्तिका सीरीज  
Question Booklet Series  
**B**

**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. Two goods that are used jointly to provide satisfaction are called :
  - (A) Inferior goods
  - (B) Normal goods
  - (C) Complementary goods
  - (D) Substitute goods
2. 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
3. Bread and Butter are :
  - (A) Inferior goods
  - (B) Normal goods
  - (C) Complementary goods
  - (D) Substitute goods
4. 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
5. Duopoly is :
  - (A) Another name for monopoly
  - (B) Special type of monopolistic competition
  - (C) Two firm oligopoly
  - (D) None of these
6. Positive economics deals with :
  - (A) What is
  - (B) What ought to be
  - (C) Both (A) or (B)
  - (D) None of these

7. 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
8. Economics is a science because :
- (A) Systematised study
  - (B) Scientific laws
  - (C) Has its own methodology
  - (D) All the above
9. Normative statements concern :
- (A) What was
  - (B) What is the normal situation
  - (C) What will be
  - (D) What ought to be
10. 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
11. The interference of the government is very limited in :
- (A) Socialist economy
  - (B) Capitalist economy
  - (C) Mixed economy
  - (D) All the above
12. Micro economics is also known as :
- (A) Price theory
  - (B) Slicing method
  - (C) Product theory
  - (D) Both (A) and (B)

13. 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
14. 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
15. All of the following are within the scope of Economics except :
- (A) Production
  - (B) Risk Analysis
  - (C) Consumer Behaviour
  - (D) Accounting Standards
16. 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
17. In a competitive economy, the uncrowned king is :
- (A) Government
  - (B) Producer
  - (C) Consumer
  - (D) Seller

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

23. In inductive method, logic proceeds from :
- (A) General to Particular
  - (B) Particular to General
  - (C) Both (A) and (B)
  - (D) None of these
24. Economic Problem arises when :
- (A) Wants are unlimited
  - (B) Resources are limited
  - (C) Alternative uses of resources
  - (D) All of the above
25. 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
26. 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
27. \_\_\_\_\_ 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

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



33. 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
34. 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
35. 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
36. 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
37. The Law of Demand is applicable for \_\_\_\_\_.
- (A) Giffen's Goods
  - (B) Prestige Goods
  - (C) Necessary Goods
  - (D) Normal Goods

38. The demand for necessities is \_\_\_\_\_.
- (A) Highly elastic
  - (B) Highly inelastic
  - (C) Slightly elastic
  - (D) Slightly inelastic
39. 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
40. Law of Demand fails in case of :
- (A) Normal goods
  - (B) Giffen goods
  - (C) Inferior goods
  - (D) Both (B) and (C)
41. The Law of Demand refers to functional relation between :
- (A) Price & Supply
  - (B) Price & Cost
  - (C) Price & Income
  - (D) Price & Demand
42. Giffen goods are :
- (A) Normal goods
  - (B) Inferior goods
  - (C) Luxury goods
  - (D) Neutral goods

43. Which of the following is not a complementary good for pen?
- (A) Refills
  - (B) Paper
  - (C) Notebook
  - (D) Rice
44. 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)  $\frac{\Delta q}{\Delta p} \times \frac{p}{q}$
45. \_\_\_\_\_ 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
46. Derived demand of a good is also known as \_\_\_\_\_ demand.
- (A) Direct
  - (B) Indirect
  - (C) Joint
  - (D) Competitive

47. When price of commodity rises, the demand for it \_\_\_\_\_.  
(A) Rises  
(B) Falls  
(C) Remain constant  
(D) Becomes negative
48. \_\_\_\_\_ goods are those which are used for final consumption.  
(A) Durable  
(B) Producer's  
(C) Non-Durable  
(D) Consumer's
49. 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
50. The Law of Demand is explained by :  
(A) Cardinal approach  
(B) Ordinal approach  
(C) Both (A) and (B)  
(D) Neither (A) nor (B)

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

57. Macroeconomics deals with \_\_\_\_\_ economic entities.
- (A) Aggregate
  - (B) Individual
  - (C) Micro
  - (D) Unit
58. An indifference curve must be \_\_\_\_\_ to the origin.
- (A) Convex
  - (B) Concave
  - (C) Straight
  - (D) Kinked
59. 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)  $MRS_{xy} \neq P_x/P_y$
60. 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
61. 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

62. The new world Trade Organization (WTO), which replaced the GATT came into effect from \_\_\_\_\_ :
- (A) 1<sup>st</sup> January 1991
  - (B) 1<sup>st</sup> January 1994
  - (C) 1<sup>st</sup> January 1995
  - (D) 1<sup>st</sup> May 1995
63. 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
64. Demand for factors of production is :
- (A) Joint demand
  - (B) Derived demand
  - (C) Both (A) & (B)
  - (D) None of the above
65. Under the imperfect market, the market in which two firms exists is called as :
- (A) Monopoly
  - (B) Oligopoly
  - (C) Duopoly
  - (D) Monopolistic competition
66. What is known as the study of individual units ?
- (A) Macroeconomics
  - (B) Microeconomics
  - (C) Income and Employment Theory
  - (D) Development economics

67. What is the main cause of all economic problems ?
- (A) Abundance
  - (B) Convenience
  - (C) Scarcity
  - (D) None of these
68. Who is known as the father of Economics ?
- (A) Adam Smith
  - (B) J.M. Keynes
  - (C) Samuelson
  - (D) Hicks
69. Economic is a science which deals with\_\_\_\_\_.
- (A) Matters and substance
  - (B) Chemicals and reactions
  - (C) Human wants and resources
  - (D) Numbers and combinations
70. Market\_\_\_\_\_ is derived by adding up all the individual demand.
- (A) Demand
  - (B) Supply
  - (C) Price
  - (D) None of these
71. 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
72. 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



73. By 'profits', the accountant means total revenue minus\_\_\_\_\_.
- (A) Opportunity costs
  - (B) Implicit costs
  - (C) Explicit costs + implicit costs
  - (D) None of the above
74. 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
75. A demand curve has a \_\_\_\_\_ slope.
- (A) Upward
  - (B) Positive
  - (C) Negative
  - (D) Concave
76. What does the term 'marginal' in economics mean ?
- (A) Additional
  - (B) Unimportant
  - (C) Minimum unit
  - (D) None of the above
77. Utility is generally related to ?
- (A) Satisfaction
  - (B) Necessary
  - (C) Useless
  - (D) Useful

78. 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
79. When MU is positive, what happens to TU ?  
(A) It decreases  
(B) It becomes the highest  
(C) It remains constant  
(D) It increases
80. Deductive method proceeds from :  
(A) General to the particular  
(B) Particular to the particular  
(C) Both (A) and (B)  
(D) None
81. The tangency between indifference curve and price line shows \_\_\_\_\_ :  
(A) Consumer's surplus  
(B) Consumer's equilibrium  
(C) Consumer demand  
(D) Consumer budget
82. \_\_\_\_\_ Effect = Income Effect + Substitution Effect :  
(A) Price  
(B) Consumption  
(C) Production  
(D) Combine
83. 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

84. Cartel is formed in which market condition :
- (A) Monopoly
  - (B) Oligopoly
  - (C) Monopolistic
  - (D) Perfect Competition
85. The intersection point of demand and supply :
- (A) In equilibrium
  - (B) Equilibrium
  - (C) Intersection
  - (D) Disequilibrium
86. The budget line is also known as the :
- (A) Iso-utility curve
  - (B) Production possibility line
  - (C) Isoquant
  - (D) Consumption possibility line
87. Diminishing marginal utility is the basis of :
- (A) Law of supply
  - (B) Law of demand
  - (C) Law of returns
  - (D) None of the above
88. 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
89. MRS stands for :
- (A) Marginal Rate of Technical Substitution
  - (B) Marginal Rate of Supplementary
  - (C) Marginal Rate of Substitution
  - (D) None

90.  $TR=TC$  is :
- (A) Break Even Point
  - (B) Profit
  - (C) Loss
  - (D) None
91. 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
92. 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
93. 'Micros', which means 'Small' belongs to :
- (A) Arabian word
  - (B) Greek word
  - (C) German word
  - (D) English word
94. Which of the following is a type of economic activities ?
- (A) Production
  - (B) Consumption
  - (C) Exchange and Investment
  - (D) All of these
95. Economy may be classified as :
- (A) Capitalist
  - (B) Socialist
  - (C) Mixed
  - (D) All of these

96. Which economy has a co-existence of private and public sectors ?
- (A) Capitalist
  - (B) Socialist
  - (C) Mixed
  - (D) None of these
97. Which of the following is a resource of production ?
- (A) Land
  - (B) labour
  - (C) Capital
  - (D) All of these
98. Who said, "Economics is science of wealth."
- (A) Marshall
  - (B) Robbins
  - (C) Adam Smith
  - (D) J.K. Mehta
99. 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
100. If the income elasticity of demand is greater than one, the good is a :
- (A) Necessity
  - (B) Luxury
  - (C) Substitute
  - (D) Complement

\*\*\*\*\*

## **Rough Work / रफ कार्य**

## **Rough Work / रफ कार्य**

**DO NOT OPEN THE QUESTION BOOKLET UNTIL ASKED TO DO SO**

1. Examinee should enter his / her roll number, subject and Question Booklet Series correctly in the O.M.R. sheet, the examinee will be responsible for the error he / she has made.
2. **This Question Booklet contains 100 questions, out of which only 75 Question are to be Answered by the examinee. Every question has 4 options and only one of them is correct. The answer which seems correct to you, darken that option number in your Answer Booklet (O.M.R ANSWER SHEET) completely with black or blue ball point pen. If any examinee will mark more than one answer of a particular question, then the first most option will be considered valid.**
3. Every question has same marks. Every question you attempt correctly, marks will be given according to that.
4. Every answer should be marked only on Answer Booklet (O.M.R ANSWER SHEET). Answer marked anywhere else other than the determined place will not be considered valid.
5. Please read all the instructions carefully before attempting anything on Answer Booklet (O.M.R ANSWER SHEET).
6. After completion of examination please hand over the Answer Booklet (O.M.R ANSWER SHEET) to the Examiner before leaving the examination room.
7. There is no negative marking.

**Note:** On opening the question booklet, first check that all the pages of the question booklet are printed properly in case there is an issue please ask the examiner to change the booklet of same series and get another one.