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प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series

C

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. The Law of Demand is explained by :
 - (A) Cardinal approach
 - (B) Ordinal approach
 - (C) Both (A) and (B)
 - (D) Neither (A) nor (B)
2. 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
3. _____ goods are those which are used for final consumption.
 - (A) Durable
 - (B) Producer's
 - (C) Non-Durable
 - (D) Consumer's
4. When price of commodity rises, the demand for it _____.
 - (A) Rises
 - (B) Falls
 - (C) Remain constant
 - (D) Becomes negative
5. Derived demand of a good is also known as _____ demand.
 - (A) Direct
 - (B) Indirect
 - (C) Joint
 - (D) Competitive

6. _____ 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
7. 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) $\frac{\Delta q}{\Delta p} \times \frac{p}{q}$
8. Which of the following is not a complementary good for pen?
- (A) Refills
 - (B) Paper
 - (C) Notebook
 - (D) Rice
9. Giffen goods are :
- (A) Normal goods
 - (B) Inferior goods
 - (C) Luxury goods
 - (D) Neutral goods

10. The Law of Demand refers to functional relation between :
- (A) Price & Supply
 - (B) Price & Cost
 - (C) Price & Income
 - (D) Price & Demand
11. Law of Demand fails in case of :
- (A) Normal goods
 - (B) Giffen goods
 - (C) Inferior goods
 - (D) Both (B) and (C)
12. 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
13. The demand for necessities is _____.
- (A) Highly elastic
 - (B) Highly inelastic
 - (C) Slightly elastic
 - (D) Slightly inelastic
14. The Law of Demand is applicable for _____.
- (A) Giffen's Goods
 - (B) Prestige Goods
 - (C) Necessary Goods
 - (D) Normal Goods

15. 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
16. 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
17. 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
18. 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
19. 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

20. TU starts diminishing when :
- (A) MU is positive
 - (B) MU is increasing
 - (C) MU is negative
 - (D) MU is constant
21. The shape of MU curve is :
- (A) Upward sloping
 - (B) Concave to origin
 - (C) Downward sloping
 - (D) Straight line
22. When only ONE unit of the commodity is consumed :
- (A) $MU = TU$
 - (B) $MU > TU$
 - (C) $MU < TU$
 - (D) None of these
23. The cardinal approach to utility assumes marginal utility of money is :
- (A) Zero
 - (B) Constant
 - (C) Increasing Trend
 - (D) Decreasing Trend
24. _____ 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

25. 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
26. 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
27. Economic Problem arises when :
- (A) Wants are unlimited
 - (B) Resources are limited
 - (C) Alternative uses of resources
 - (D) All of the above
28. In inductive method, logic proceeds from :
- (A) General to Particular
 - (B) Particular to General
 - (C) Both (A) and (B)
 - (D) None of these
29. Which of the following is not included in Economics ?
- (A) Family Structure
 - (B) Managerial Economics
 - (C) Micro Economics
 - (D) Macro Economics

30. Who defines Economics in terms of Dynamic Growth and Development ?
- (A) Robbins
 - (B) Paul A Samuelson
 - (C) Adam Smith
 - (D) None of these
31. According to Robbins, 'means' are :
- (A) Scarce
 - (B) Unlimited
 - (C) Undefined
 - (D) All of these
32. The term 'Economics' owes its origin to the Greek word.
- (A) Aikonomia
 - (B) Wikonornia
 - (C) Oikonomia
 - (D) None of the above
33. Both private and public sectors exist side by side in :
- (A) China
 - (B) U.S.A.
 - (C) India
 - (D) Russia
34. In a competitive economy, the uncrowned king is :
- (A) Government
 - (B) Producer
 - (C) Consumer
 - (D) Seller

35. 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
36. All of the following are within the scope of Economics except :
- (A) Production
 - (B) Risk Analysis
 - (C) Consumer Behaviour
 - (D) Accounting Standards
37. 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
38. 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
39. Micro economics is also known as :
- (A) Price theory
 - (B) Slicing method
 - (C) Product theory
 - (D) Both (A) and (B)

40. The interference of the government is very limited in :
(A) Socialist economy
(B) Capitalist economy
(C) Mixed economy
(D) All the above
41. 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
42. Normative statements concern :
(A) What was
(B) What is the normal situation
(C) What will be
(D) What ought to be
43. Economics is a science because :
(A) Systematised study
(B) Scientific laws
(C) Has its own methodology
(D) All the above
44. 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
45. Positive economics deals with :
(A) What is
(B) What ought to be
(C) Both (A) or (B)
(D) None of these

46. Duopoly is :
- (A) Another name for monopoly
 - (B) Special type of monopolistic competition
 - (C) Two firm oligopoly
 - (D) None of these
47. 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
48. Bread and Butter are :
- (A) Inferior goods
 - (B) Normal goods
 - (C) Complementary goods
 - (D) Substitute goods
49. 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
50. Two goods that are used jointly to provide satisfaction are called :
- (A) Inferior goods
 - (B) Normal goods
 - (C) Complementary goods
 - (D) Substitute goods

51. If the income elasticity of demand is greater than one, the good is a :
- (A) Necessity
 - (B) Luxury
 - (C) Substitute
 - (D) Complement
52. 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
53. Who said, "Economics is science of wealth."
- (A) Marshall
 - (B) Robbins
 - (C) Adam Smith
 - (D) J.K. Mehta
54. Which of the following is a resource of production ?
- (A) Land
 - (B) labour
 - (C) Capital
 - (D) All of these
55. Which economy has a co-existence of private and public sectors ?
- (A) Capitalist
 - (B) Socialist
 - (C) Mixed
 - (D) None of these

56. Economy may be classified as :
- (A) Capitalist
 - (B) Socialist
 - (C) Mixed
 - (D) All of these
57. Which of the following is a type of economic activities ?
- (A) Production
 - (B) Consumption
 - (C) Exchange and Investment
 - (D) All of these
58. 'Micros', which means 'Small' belongs to :
- (A) Arabian word
 - (B) Greek word
 - (C) German word
 - (D) English word
59. 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
60. 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
61. $TR=TC$ is :
- (A) Break Even Point
 - (B) Profit
 - (C) Loss
 - (D) None

62. MRS stands for :
- (A) Marginal Rate of Technical Substitution
 - (B) Marginal Rate of Supplementary
 - (C) Marginal Rate of Substitution
 - (D) None
63. 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
64. Diminishing marginal utility is the basis of :
- (A) Law of supply
 - (B) Law of demand
 - (C) Law of returns
 - (D) None of the above
65. The budget line is also known as the :
- (A) Iso-utility curve
 - (B) Production possibility line
 - (C) Isoquant
 - (D) Consumption possibility line
66. The intersection point of demand and supply :
- (A) In equilibrium
 - (B) Equilibrium
 - (C) Intersection
 - (D) Disequilibrium
67. Cartel is formed in which market condition :
- (A) Monopoly
 - (B) Oligopoly
 - (C) Monopolistic
 - (D) Perfect Competition

68. 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
69. _____ Effect = Income Effect + Substitution Effect :
- (A) Price
 - (B) Consumption
 - (C) Production
 - (D) Combine
70. The tangency between indifference curve and price line shows _____ :
- (A) Consumer’s surplus
 - (B) Consumer’s equilibrium
 - (C) Consumer demand
 - (D) Consumer budget
71. Deductive method proceeds from :
- (A) General to the particular
 - (B) Particular to the particular
 - (C) Both (A) and (B)
 - (D) None
72. When MU is positive, what happens to TU ?
- (A) It decreases
 - (B) It becomes the highest
 - (C) It remains constant
 - (D) It increases
73. 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

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

79. 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
80. 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
81. Market_____ is derived by adding up all the individual demand.
- (A) Demand
 - (B) Supply
 - (C) Price
 - (D) None of these
82. Economic is a science which deals with_____.
- (A) Matters and substance
 - (B) Chemicals and reactions
 - (C) Human wants and resources
 - (D) Numbers and combinations
83. Who is known as the father of Economics ?
- (A) Adam Smith
 - (B) J.M. Keynes
 - (C) Samuelson
 - (D) Hicks
84. What is the main cause of all economic problems ?
- (A) Abundance
 - (B) Convenience
 - (C) Scarcity
 - (D) None of these

85. What is known as the study of individual units ?
- (A) Macroeconomics
 - (B) Microeconomics
 - (C) Income and Employment Theory
 - (D) Development economics
86. Under the imperfect market, the market in which two firms exists is called as :
- (A) Monopoly
 - (B) Oligopoly
 - (C) Duopoly
 - (D) Monopolistic competition
87. Demand for factors of production is :
- (A) Joint demand
 - (B) Derived demand
 - (C) Both (A) & (B)
 - (D) None of the above
88. 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
89. 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

90. 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
91. 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
92. 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) $MRS_{xy} \neq P_x/P_y$
93. An indifference curve must be _____ to the origin.
- (A) Convex
 - (B) Concave
 - (C) Straight
 - (D) Kinked
94. Macroeconomics deals with _____ economic entities.
- (A) Aggregate
 - (B) Individual
 - (C) Micro
 - (D) Unit

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

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