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(To be filled in the
OMR Sheet)

प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series

B

BBA (First Semester) Examination, February/March-2022

BBA-103(N)

Principles of Economics

(for Ex & B.P. 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 भरें, 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 must be _____ to the origin.
 - (A) Convex
 - (B) Concave
 - (C) Straight
 - (D) Kinked
2. 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) $MRS_{xy} \neq P_x/P_y$
3. The tangency between indifference curve and price line shows _____.
 - (A) Consumer's surplus
 - (B) Consumer's equilibrium
 - (C) Consumer's demand
 - (D) Consumer's budget
4. _____ Effect = Income Effect + Substitution Effect
 - (A) Price
 - (B) Consumption
 - (C) Production
 - (D) Combine
5. The famous book on economics "An Enquiry into Nature and Cause of Wealth of Nation" was written by:
 - (A) Marshal
 - (B) Ricardo
 - (C) Robins
 - (D) Adam smith

6. If the income elasticity of demand is greater than one, the good is a:
- (A) Necessity
 - (B) Luxury
 - (C) Substitute
 - (D) Complement
7. Two goods that are used jointly to provide satisfaction are called:
- (A) Inferior goods
 - (B) Normal goods
 - (C) Complementary goods
 - (D) Substitute goods
8. 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
9. Pen and Ink are:
- (A) Inferior goods
 - (B) Normal goods
 - (C) Complementary goods
 - (D) Substitute goods
10. 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

11. Duopoly is:
- (A) Another name for monopoly
 - (B) Special type of monopolistic competition
 - (C) Two firm oligopoly
 - (D) None of these
12. In “Monopoly” firms entry of other firms are:
- (A) Free
 - (B) Restricted
 - (C) Sometimes free & sometimes restricted
 - (D) None of the above
13. Positive economics deals with:
- (A) What is
 - (B) What ought to be
 - (C) Both (A) & (B)
 - (D) None of these
14. Micro economics deals with:
- (A) Inflation in the country
 - (B) The economic behaviour of an individual unit
 - (C) The per capita income
 - (D) The problems of poverty and unemployment in the country
15. Economics is a science because:
- (A) Systematized study
 - (B) Scientific study
 - (C) Has its own methodology
 - (D) All the above

16. Normative statements concern:
- (A) What was
 - (B) What is the normal situation
 - (C) What will be
 - (D) What ought to be
17. 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
18. The interference of the government is very limited in:
- (A) Socialist economy
 - (B) Capitalist economy
 - (C) Mixed economy
 - (D) All the above
19. Micro economics is also as:
- (A) Price theory
 - (B) Slicing method
 - (C) Product theory
 - (D) Both (A) and (B)
20. 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

21. 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
22. All of the following are within the scope of Economics except:
- (A) Production
 - (B) Risk Analysis
 - (C) Consumer Behaviour
 - (D) Accounting Standards
23. 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
24. In a competitive economy, the uncrowned king is:
- (A) Government
 - (B) Producer
 - (C) Consumer
 - (D) Russia
25. Both private and public sectors exist side by side in:
- (A) China
 - (B) U.S.A.
 - (C) India
 - (D) Russia

26. The term 'Economics' owes its origin to the Greek word:
- (A) Aikonomia
 - (B) Wikonomia
 - (C) Oikonomia
 - (D) None of the above
27. According to Robbins, 'means' are:
- (A) Scarce
 - (B) Unlimited
 - (C) Undefined
 - (D) All of these
28. Who defines Economics in terms of Dynamic Growth and Development?
- (A) Robbins
 - (B) Paul A Samuelson
 - (C) Adam Smith
 - (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. In inductive method, logic proceeds from:
- (A) General to Particular
 - (B) Particular to General
 - (C) Both (A) and (B)
 - (D) None of these

31. Economic problem arises when:
- (A) Wants are unlimited
 - (B) Resources are limited
 - (C) Alternative uses of resources
 - (D) All of the above
32. A curve which first move upwards then down wards in naturally_____.
- (A) Marginal Utility Curve
 - (B) Average Utility Curve
 - (C) Total Utility Curve
 - (D) Demand Curve
33. 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
34. _____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
35. The cardinal approach to utility assumes marginal utility of money is:
- (A) Zero
 - (B) Constant
 - (C) Increasing Trend
 - (D) Decreasing Trend

36. When only ONE unit of the commodity is consumed:
- (A) $MU = TU$
 - (B) $MU > TU$
 - (C) $MU < TU$
 - (D) None of these
37. The shape of MU curve is:
- (A) Upward sloping
 - (B) Concave to origin
 - (C) Downward sloping
 - (D) Straight line
38. TU starts diminishing when:
- (A) MU is positive
 - (B) MU is increasing
 - (C) MU is negative
 - (D) MU is constant
39. 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
40. 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

41. For goods with less elastic demand:
- (A) $\Delta q > \Delta p$
 - (B) $\Delta q = \Delta p$
 - (C) $\Delta q < \Delta p$
 - (D) None of the above
42. 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
43. The law of demand was propounded by _____ in his book 'Principles of Economics'.
- (A) Lord Keynes
 - (B) Adam Smith
 - (C) Dr. Alfred Marshall
 - (D) Ragnar
44. The Law of demand is applicable for _____.
- (A) Geffen's Goods
 - (B) Prestige Goods
 - (C) Necessary Goods
 - (D) Normal Goods
45. The demand for necessities is _____.
- (A) Highly elastic
 - (B) Highly inelastic
 - (C) Slightly elastic
 - (D) Slightly inelastic

46. 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
47. Law of Demand fails in case of:
- (A) Normal goods
 - (B) Giffen goods
 - (C) Inferior goods
 - (D) Both (B) and (C)
48. The Law of Demand refers to functional relation between:
- (A) Price & Supply
 - (B) Price & Cost
 - (C) Price & Income
 - (D) Price & Demand
49. Giffen goods are:
- (A) Normal goods
 - (B) Inferior goods
 - (C) Luxury goods
 - (D) Neutral goods
50. Which of the following is not a complementary good for pen?
- (A) Refills
 - (B) Paper
 - (C) Notebook
 - (D) Rice

51. Which of the following is studied under Micro Economics?
- (A) Individual unit
 - (B) Economic Aggregate
 - (C) National Income
 - (D) None of these
52. Which of the following economic activities are included in the subject-matter of Economics?
- (A) Economic activities related to Unlimited wants
 - (B) Economic activities related to Limited Resources
 - (C) Both (A) and (B)
 - (D) None of these
53. Which is a central problem of an economy?
- (A) Allocation of Resources
 - (B) Optimum Utilization of Resources
 - (C) Economic Development
 - (D) All of these
54. Which of the following is a type of economics activities?
- (A) Production
 - (B) Consumption
 - (C) Exchange and Investment
 - (D) All of these
55. Economy may be classified as:
- (A) Capitalist
 - (B) Socialist
 - (C) Mixed
 - (D) All of these

56. Which of the following is a source of production?
- (A) Land
 - (B) Labour
 - (C) Capital
 - (D) All of these
57. Who said, "Economics is a science of wealth,"
- (A) Marshall
 - (B) Robbins
 - (C) Adam Smith
 - (D) J.K. Mehta
58. 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
59. When MU is positive, what happens to TU?
- (A) It decreases
 - (B) It becomes the highest
 - (C) It remains constant
 - (D) It increases
60. Deductive method proceeds from:
- (A) General to the particular
 - (B) Particular to the particular
 - (C) Both (A) & (B)
 - (D) None

61. Utility based on ranking of preferences is:
- (A) Ordinal
 - (B) Cardinal
 - (C) Total
 - (D) Marginal
62. Law of Diminishing Marginal Utility was Propounded by:
- (A) Alfred Marshall
 - (B) Robbins
 - (C) Adam Smith
 - (D) None
63. In which of the following market structure is the degree of control over the price of its product by a firm very large?
- (A) Imperfect competition
 - (B) Perfect competition
 - (C) In (A) and (B) both
 - (D) Monopoly
64. If the demand for a good is inelastic, an increase in its price will cause the total expenditure of the consumers of the good to:
- (A) Increase
 - (B) Decrease
 - (C) Remain the same
 - (D) Become zero
65. The subject matter of micro economics is:
- (A) Individual firm
 - (B) Individual household
 - (C) Individual Market
 - (D) All

66. When TP is maximum?
- (A) MP is negative
 - (B) MP is zero
 - (C) MP is one
 - (D) MP is positive
67. Example of Complimentary Goods:
- (A) Pen & Ink
 - (B) Petrol & Car
 - (C) Bread & Butter
 - (D) All
68. Types of Production:
- (A) Short Run
 - (B) Long Run
 - (C) Both
 - (D) None
69. Consumer behaviour is studied in:
- (A) Micro Economics
 - (B) Income Theory
 - (C) Macro Economics
 - (D) None of these
70. India is a example of:
- (A) Centrally planned economy
 - (B) Market economy
 - (C) Mixed Economy
 - (D) None of these

71. When a firm's average revenue is equal to its average cost, it gets _____.
(A) Super profit
(B) Normal profit
(C) Sub normal profit
(D) None of the above
72. The cost recorded in the books of accounts are considered a:
(A) Total cost
(B) Marginal cost
(C) Average cost
(D) Explicit cost
73. oligopoly is a type of _____ market.
(A) Perfect
(B) Imperfect
(C) Both (A) & (B)
(D) None
74. Product differentiation is an important feature of:
(A) Perfect competition
(B) Monopolistic competition
(C) Monopoly
(D) None of these
75. Price Discrimination is an important characteristics of:
(A) Perfect competition
(B) Monopolistic competition
(C) Monopoly
(D) None of these

76. Want satisfying power of commodity is called:
- (A) Demand
 - (B) Utility
 - (C) Satisfaction
 - (D) Consumption
77. In economics, desire backed by purchasing power is known as:
- (A) Utility
 - (B) Demand
 - (C) Consumption
 - (D) Scarcity
78. The demand has three essentials – Desire, Purchasing power and _____.
- (A) Willing to purchase
 - (B) Cash
 - (C) Supply
 - (D) Quantity
79. Law of demand shows the functions relationship between _____ and quantity demanded.
- (A) Supply
 - (B) Cost
 - (C) Price
 - (D) Requirements
80. “Law of variable proportion” is also known as:
- (A) Law of Diminishing Returns
 - (B) Law of Increasing Returns
 - (C) Law of Constant Returns
 - (D) None of the above

81. In “Perfect competition” products are:
- (A) Heterogeneous
 - (B) Homogeneous
 - (C) Differentiated
 - (D) None of the above
82. In monopoly a single is selling:
- (A) A single product for which there are close substitutes
 - (B) Two product for which there are no close substitutes
 - (C) A single product for which there are no close substitutes
 - (D) None of the above
83. Profit is:
- (A) Total revenue – Implicit cost
 - (B) Total revenue – Explicit
 - (C) Total revenue – Explicit and Implicit cost
 - (D) None of the above
84. Change in the demand of a commodity due to increase in its price is:
- (A) Increase of its demand
 - (B) Decrease of its demand
 - (C) Contraction of its demand
 - (D) None of the above
85. In “Perfect competition” firms are:
- (A) Price maker
 - (B) Price influencer
 - (C) Price taker
 - (D) None of the above

86. The income elasticity of demand is negative for a:
- (A) Positive good
 - (B) Normal good
 - (C) Elastic good
 - (D) Inferior good
87. In the case of perfect elasticity, the demand curve is:
- (A) Vertical
 - (B) Horizontal
 - (C) Flat
 - (D) Steep
88. Unitary elasticity of demand is:
- (A) Zero
 - (B) Equal to one
 - (C) Greater than 1
 - (D) Less than 1
89. Cross elasticity of demand between tea and sugar is:
- (A) Positive
 - (B) Zero
 - (C) Infinity
 - (D) Negative
90. The relationship between demand for a commodity and price, *ceteris paribus*, is:
- (A) Negative
 - (B) Positive
 - (C) Non-negative
 - (D) Non-positive

91. The horizontal demand curve for a commodity shows that its demand is:
- (A) Perfectly elastic
 - (B) Highly elastic
 - (C) Perfectly inelastic
 - (D) Moderately elastic
92. The market with a single producer:
- (A) perfect competition
 - (B) Monopolistic competition
 - (C) Oligopoly
 - (D) Monopoly
93. The concept of product differentiation was introduced by:
- (A) TR Malthus
 - (B) JM Keynes
 - (C) Mrs. Robinson
 - (D) Chamberlin
94. An individual demand curve slopes downward to the right because of the:
- (A) Working of the law of diminishing marginal utility
 - (B) Substitution effect of decrease in price
 - (C) Income effect of fall in price
 - (D) All of the above
95. Income elasticity of demand is defined as the responsiveness of:
- (A) Quantity demanded to a change in income
 - (B) Quantity demanded to a change in price
 - (C) Price to a change in income
 - (D) Income to a change in quantity demanded

96. In which of the following market structure is the degree of control over the price of its product by a firm very large?
- (A) Imperfect competition
 - (B) Perfect competition
 - (C) Monopoly
 - (D) In (A) and (B) both
97. An indifference curve analysis is an example of _____ utility approach.
- (A) Cardinal
 - (B) Ordinal
 - (C) Form
 - (D) Place
98. Consumer's equilibrium was explained by _____ through utility analysis.
- (A) Adam Smith
 - (B) Alfred Marshall
 - (C) David Ricardo
 - (D) J.M. Keynes
99. Economics is a science which deals with _____.
- (A) Matters and substance
 - (B) Chemicals and reactions
 - (C) Human wants and resources
 - (D) Number and combinations
100. Macroeconomics deals with _____ economics entities.
- (A) Aggregate
 - (B) Individual
 - (C) Micro
 - (D) None

Rough Work / रफ़ कार्य

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