



BBA 101F
BBA Ist SEMESTER EXAMINATION, 2024-25
(New)
BACHELOR OF BUSINESS ADMINISTRATION
(Business Economics)
(3+0)

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Paper ID

(To be filled in the
OMR Sheet)

Date (तिथि) : _____

1851

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Roll No. (In Words) :

Time : 1:30 Hrs.

समय : 1:30 घण्टे

Max. Marks : 75

अधिकतम अंक : 75

नोट : पुस्तिका में 50 प्रश्न दिये गये हैं, सभी प्रश्न करने होंगे। प्रत्येक प्रश्न 1.5 अंक का होगा।

Important Instructions :

1. The candidate will write his/her Roll Number only at the places provided for, i.e. on the cover page and on the OMR answer sheet at the end and nowhere else.
2. Immediately on receipt of the question booklet, the candidate should check up the booklet and ensure that it contains all the pages and that no question is missing. If the candidate finds any discrepancy in the question booklet, he/she should report the invigilator within 10 minutes of the issue of this booklet and a fresh question booklet without any discrepancy be obtained.

महत्वपूर्ण निर्देश :

1. अभ्यर्थी अपने अनुक्रमांक केवल उन्हीं स्थानों पर लिखेंगे जो इसके लिए दिये गये हैं, अर्थात् प्रश्न पुस्तिका के मुख्य पृष्ठ तथा साथ दिये गये ओ०एम०आर० उत्तर पत्र पर, तथा अन्यत्र कहीं नहीं लिखेंगे।
2. प्रश्न पुस्तिका मिलते ही अभ्यर्थी को जाँच करके सुनिश्चित कर लेना चाहिए कि इस पुस्तिका में पूरे पृष्ठ हैं और कोई प्रश्न छूटा तो नहीं है। यदि कोई विसंगति है तो प्रश्न पुस्तिका मिलने के 10 मिनट के भीतर ही कक्ष परिप्रेक्षक को सूचित करना चाहिए और बिना त्रुटि की दूसरी प्रश्न पुस्तिका प्राप्त कर लेना चाहिए।

1. The Price Elasticity of demand measures _____.
 - (A) The slope of a budget curve
 - (B) How often the price of a good changes
 - (C) The responsiveness of the quantity demanded to changes in price
 - (D) How sensitive the quantity demanded is to changes in demand

2. In the case of Inferior goods, the income elasticity of demand is _____.
 - (A) Positive
 - (B) Negative
 - (C) Positive, Negative
 - (D) Negative, Positive

3. When as a result of increase in price of goods, total expenditure made on goods falls, price elasticity of demand is _____ than unity.
 - (A) Greater
 - (B) Lesser
 - (C) Nominal
 - (D) Equal

4. Welfare (Neo classical) definition of economics is given by.
 - (A) J.B. Say
 - (B) Lionel Robbins
 - (C) Adam Smith
 - (D) Alfred Marshall

5. The demand has three essentials - Desire, Purchasing Power and _____.
- (A) Quantity
 - (B) Cash
 - (C) Supply
 - (D) Willing news to purchase
6. "A rupee tomorrow is worth less than a rupee today relates to -
- (A) Opportunity cost principle
 - (B) Discounting principle
 - (C) Equi-marginal principle
 - (D) Incremental principle
7. _____ Principle is closely related to the marginal costs and marginal Revenue of economic theory.
- (A) Principle of time perspective
 - (B) Equi-marginal principle
 - (C) Incremental principle
 - (D) Opportunity cost principle
8. When the demand changes due to changes in other factors, like taste and preferences income price of related goods etc. _____ it is called.
- (A) Extension of demand
 - (B) Contraction of demand
 - (C) Shift in demand
 - (D) Downward sloping

9. The horizontal demand curve for a commodity shows that its demand is :
- (A) Perfectly elastic
 - (B) Highly elastic
 - (C) Perfectly inelastic
 - (D) Moderately elastic
10. If the quantity of a commodity demanded remains unchanged as its Price changes, The coefficient of price elasticity of demand is -
- (A) Greater than 1
 - (B) Equal to 1
 - (C) Less than 1
 - (D) Zero
11. The distinction between variable cost and fixed cost is relevant only in -
- (A) Long Period
 - (B) Short Period
 - (C) Medium term
 - (D) Mixed period
12. Method of charging low price initially called _____.
- (A) Skimming pricing
 - (B) Penetrating Pricing
 - (C) Full cost pricing
 - (D) Target pricing

13. Which of the following is a short-run law ?
- (A) Law of constant return to scale
 - (B) Law of Increasing return to scale
 - (C) Law of diminishing return
 - (D) Law of negative returns to scale
14. If all resources used in the production of a product are increased by 20 percent and output increases by 20 percent, then there must be :
- (A) Economics of scale
 - (B) Diseconomics of scale
 - (C) Constant return to scale
 - (D) Increasing average total cost
15. A graph indicating different combination of inputs with different level of output is called -
- (A) Iso-cost map
 - (B) Break even point map
 - (C) Input - Output map
 - (D) Iso-quant map
16. Opportunity cost means -
- (A) The accounting cost minus marginal benefit
 - (B) The highest-valued alternative forgone
 - (C) The monetary cost of an activity
 - (D) The accounting cost minus marginal cost

17. When the quantity demanded falls due to rise in price, it is called -
- (A) Extension
 - (B) Upward shift
 - (C) Down word shift
 - (D) Contraction
18. __ When the demand curve is a rectangular hyperbola, it represents :
- (A) Perfectly elastic demand
 - (B) Unitary elastic demand
 - (C) Perfectly inelastic demand
 - (D) Relatively inelastic demand
19. The utility may be defined as -
- (A) The desire for a commodity
 - (B) The usefulness of a commodity
 - (C) The necessity of a commodity
 - (D) The power of a commodity to satisfy wants
20. Firms under perfectly competitive market generally are -
- (A) Price maker
 - (B) Price taker
 - (C) Price giver
 - (D) Both (A) and (B)

21. What is the relationship between the average product (AP) and marginal product (MP) curves ?
- (A) AP and MP curve always intersect at the maximum point
 - (B) AP and MP curve never intersect
 - (C) MP curve intersect AP curve at its maximum point
 - (D) AP curve intersect MP curve at its minimum point
22. People demand more of a product X when the price of product Y decreases. This means X and Y are _____.
- (A) Complements
 - (B) Substitutes
 - (C) Not related
 - (D) Both in expensive
23. In the law of variable proportion when TP is maximum then the MP = _____.
- (A) $MP = 1$
 - (B) $MP < 0$
 - (C) $MP = 0$
 - (D) $MP > 1$
24. A distinguishing characteristics of monopolistic competition is -
- (A) Large number of firms
 - (B) Low Entry Barriers
 - (C) Product standardization
 - (D) Product differentiation

25. The subject matter of economics is -
- (A) To ensure economic progress of the people
 - (B) To run business
 - (C) To satisfy unlimited wants with limited means
 - (D) To mobilise resources and to use them
26. Who is assumed as father of 'Economics' ?
- (A) Adam Smith
 - (B) Robinson
 - (C) Marshall
 - (D) George Bernard
27. An increase in consumer income will increase in demand for _____ but decrease demand for _____.
- (A) Substitutes goods, inferior goods
 - (B) Normal goods, inferior goods
 - (C) Inferior goods, Normal goods
 - (D) Normal goods, complementary goods
28. Accounting profit is calculated as :
- (A) Total Revenue - Total explicit cost
 - (B) Total Revenue - Total implicit cost
 - (C) Total Revenue - (Total fixed cost + Total variable cost)
 - (D) Total Revenue - Total opportunity cost

29. In a Monopoly market, the firms demand curve is :
- (A) Perfectly elastic
 - (B) Perfectly inelastic
 - (C) Downward sloping
 - (D) Horizontal
30. If production is zero, then fixed cost for short term will be -
- (A) Positive
 - (B) Negative
 - (C) Zero
 - (D) All of the above
31. What should be price of elasticity of demand by proportionate method if -
- $\theta_1 = 20000$, $\theta_2 = 25000$
- $P_1 = \text{Rs } 10$ $P_2 = \text{Rs } 8$
- (A) 1.25
 - (B) 1.50
 - (C) 1.20
 - (D) 1.00
32. Total Revenue =
- (A) Price \times Quantity
 - (B) Price \times Income
 - (C) Income \times Quantity
 - (D) Average Revenue \times Price

33. Which Equation is correct in the cast of perfect market competition ?
- (A) $AR = mR$
 - (B) $AR > mR$
 - (C) $AR < mR$
 - (D) $AR = mR = 0$
34. Micro economics deals with the _____.
- (A) Economic Behaviour of the individual
 - (B) Economy as whole
 - (C) Trade relation
 - (D) Economic growth of the society
35. A Production function refers to _____.
- (A) Scale of production
 - (B) Relationship between resources
 - (C) Relationship between input & output
 - (D) Relationship between cost and output
36. The law of variable proportions relates to _____ only.
- (A) Long - run
 - (B) Short - run
 - (C) Very long run
 - (D) Very short run

37. Due to operation of 'Laws of return to scale' Long Run Average Cost (LAC) curve is -
- (A) Rectangular Hyperbola
 - (B) U -Shaped
 - (C) Parallel to the horizontal axis
 - (D) Parallel to the vertical axis
38. When firm's average revenue is equal to its average cost, it gets _____.
- (A) Sub Normal Profit
 - (B) Normal Profit
 - (C) Abnormal Profit
 - (D) Super Profit
39. Who has contributed the modern theory of interest rate determination ?
- (A) Paul. A. Samulson
 - (B) Gunnor Myrdal
 - (C) F.W. Watker
 - (D) J.R. Hicks
40. Which of the following is not a fixed cost ?
- (A) Payment of interest on debt capital
 - (B) Charges for fuel and electricity
 - (C) Depreciation charges on plant & machinery
 - (D) Contractual Rent for equipment or Building

41. If the total fixed cost is Rs 40,000 price per unit is Rs 200 and average variable cost is Rs. 120 . Then what will be the break even point -
- (A) 200 units
 - (B) 300 units
 - (C) 400 units
 - (D) 500 units
42. For commodities like Salt, Sugar etc., The income elasticity will be -
- (A) Zero
 - (B) Negative
 - (C) Positive
 - (D) Unitary
43. Analysis of long run and short run affects of decision on revenue as well as costs is based on -
- (A) Principle of time perspective
 - (B) Equi-marginal principle
 - (C) Incremental principle
 - (D) Opportunity cost principle
44. In the oligopoly market there are -
- (A) Large number of firms
 - (B) A few firms
 - (C) A single firm
 - (D) An infinite number of firms

45. When marginal revenue is negative total revenue. will be _____.
- (A) Rising
 - (B) Falling
 - (C) Zero
 - (D) One
46. Scarcity is a condition that exists when -
- (A) There is a fixed supply of resources
 - (B) There is a large demand for a product
 - (C) Resources are not able to meet the entire demand for a product
 - (D) There is a large supply of a product
47. The three fundamental questions of economic organization are :
- (A) When, for whom and how
 - (B) How, what and for whom
 - (C) Who, how and when
 - (D) What, who and why
48. Two goods are _____ when the quantity consumed of one increases with the decrease in price of the other.
- (A) Substitute
 - (B) Normal
 - (C) Complementary
 - (D) Abnormal

49. Higher the price of certain Luxurious articles, higher will be the demand, this concept is called -
- (A) Giffen effects
 - (B) Veblen effects
 - (C) Demonstration effects
 - (D) Both (A) & (B)
50. Which of the following is called Gossen's first law ?
- (A) Law of substitution
 - (B) Law of Equi-marginal utility
 - (C) Law of Diminishing marginal utility
 - (D) Law of variable proportion
