1) Objective of linear programming for an objective function is to

a) Maximize or minimize
b) Subset or proper set modeling
c) Row or column modeling
d) Adjacent modeling
Ans – a

2) For a linear programming equations, convex set of equations is included in region of
a) feasible solution
b) Disposed solutions
c) profit solutions
d) loss solutions
Ans = a

3) In graphical solutions of linear inequalities, solution can be divided into
a) one subset
b)two subsets
c) three subsets
d)four subsets
Ans= b

4) Liner programming used to optimize mathematical procedure and is

a) subset of mathematical programming
b) dimension of mathematical programming
c) liner mathematical programming
d) all the above
Ans= a

5)In linear programming objective function and objective constraints are
a) solved
b) liner
c) quadratic
d) adjacent
Ans= b

6) Linear programming model which involves funds allocation of limited investment is classified as

a) ordination budgeting model

b) capital budgeting model

c) funds investment models

d) funds origin models

Ans= b

7) In linear programming , lack of points for a solution set is said to be

a)have no feasible solution

b) have a feasible solution

c) have single point method

d) have infinite point method

Ans= b

8) In maximization problem, optimal solution occurring at corner point yields the

a) mean values of Z

b) highest value of Z

c) lowest value of Z

d) mid value of Z

Ans b

9)In linear programming , oil companies used to implement resources available is classified as

a) Implementation modeling

b) Transportation models

c) Oil models

d) resources modeling

Ans = b

10) Game theory is concerned with

a) Predicting the result of best placed games like roulette

b) The choice of an optimal strategy in conflict situations

c) utility maximization by firms in perfectly competitive markets

d) The way in which a player can win every game

Ans = b

11) Which of the following is a non-zero sum game?

a) Prisoner`s dilemma

b) Chess

c) Competition among

d) all of the above

Ans = a

12) In game theory , a situation in which one firm can gain only what another firm loss is called a

a) non zero- sum game

b) prisoner`s dilemma

c) zero – sum game

d) Predation game

Ans = c

13) A game that involves multiple moves in a series identical situations is called a
a) sequential game
b) repeated game
c) zero-sum game
d) all of the above
Ans = b

14) An example of a game that challenges the assumption of rationality is
a) centipede game
b)predation game
c) ultimatum game
d) none of the above
Ans = c

15) which one of the following is a part of every game theory model?
a) players
b) pay offs
c) strategies
d) all of the above
Ans = d

16) which of the following circumstances will result in a Nash equilibrium?
a) all player have a dominated strategy and each player chooses its dominated strategy
b) all player have a dominated strategy, but only some choose to follow it
c) all players have a dominated strategy, and some choose it
d) none of the above
Ans = d

17) Which of the following is a zero-sum game?
a) chess
b) A cartel members decision regarding whether or not to cheat
c) prisoners` dilemma
d) all of the above
Ans = b

Semester – 3

Paper –BCH 3.5 (GE-3)

Macro Economics

1)According to Keynes, consumption is a function of

a) saving

b)investment

c) capital

d) income

Ans = d

2) Relation between income and investment is usually

a) no related

b) positive

c) negative

d) can't say with certainty

Ans = b

3) High powered money is controlled by

a) government

b) public

c) business

d) none of the above

Ans = a

4) Monetary policy is announced by

a)CLB

b) SEBI

c) RBI

d) Finance ministry

Ans = c

5) Increase in cash reserve ratio(CRR) leads to

a) decrease in bank credit

b) constant bank credit

c) increase in bank credit

d) none of the above

Ans = a

6) Marginal propensity to consume(MPC) is
a) total income spent on consumption
b) ratio of total income consumed
c) ratio of additional income consumed
d) consumption divided by saving
Ans =a

7) The sum of MPS and MPC is
a) 0
b) -1
c) 1
d) 2
Ans = c

8) Bank rate is fixed by
a) business
b) RBI
C) public
d) market force
Ans = b

9) National income ordinally means
a) GNP at market prices
b)NNP at market prices
c) GNP at factor cost
d) NNP at factor cost
Ans = c

10) Depreciation means loss of value of
a) capital equipment's
b) financial assets
c) final goods
d) intermediate goods
Ans =a

11) Say's law states that
a) demands creates its own supply
b) supply creates its own demand
c) demand is greater than supply
d) supply is grater than demand
A =b

12) Which of the following items is not a leakage from the circular flow of income
a) savings
b) government expenditure
c) imports

d) taxes

Ans =b

13)Demand-pull inflation occurs due to

a) fall in wages

b) rise in input prices

c) increase investment and consumption expenditure

d) increase in rate of interest

Ans = c

14)Cost-push inflation occurs, when the aggregate

a) demand curve shifts rightward

b) demand curve shifts leftward

c) supply curves shifts leftward

d) supply curve shifts rightward

Ans =c

15) During inflation ,the real income of the workers

a)increases immediately

b) increases after a time

c) falls immediately

d) none of the above

Ans =c

16) People who benefit the most during inflation are

a) pensioners

b) creditors

c) debtors

d) workers

Ans =c

17) Inflation can be controlled by

a) budgetary policy

b) monetary policy

c) income policy

d) all of the above

Ans =b

18) The difference between GNP and GDP is

a) gross domestic investment

b) total investment

c) total imports

d) net income from abroad

Ans =d

19) C/Y refers to

a) average propensity to consume(APC)

b) marginal propensity to consume(MPC)

c) average propensity to save(APC)

d) marginal propensity to save(mps)

Ans =a

20) Investment can be increased by

a) increase in saving

b) decrease in consumption

c) decrease in rate of interest

d) none of the above

Ans =c

21) Autonomous investment is determined by everything, except

a) income

b) government policy

c) technology

d) population growth

Ans=a

22) If MPC=1, the value of the multiplier would be

a) infinity

b) zero

c) one

d) none of the above

Ans =a

23) A commercial bank is an institution which

a) accepts deposited that are open to transfer by cheque

b) makes loans and advances

c) both a and b

d) none of the above

Ans =c

24) Which of the following is not a function of commercial banks ?

a) the provision of safe deposit facility

b) the provision of a cheque system for setting debts

c) acting as a leader of last resort

d) lending to the private and public sector

Ans c

25) Coins are issued by the

a) state government

b) RBI

C) Local government

d) central government

Ans =b

26) Which of the following is called the bankers of the banks ?

a) RBI

b) SBI

C) Central bank of India

d) bank of India

Ans= a

27) Which of the following is not a method of estimating national income ?

a) income method

b) export-import method

c) expenditure method

d) value-added method

Ans =b

28) Which of the following is a qualitative credit control tool used by RBI ?

a) cash reserve requirement

b) open market operations

c) moral suasion

d)repo rate

Ans =c

29) If the price rise is very slow, it is called

a) creeping inflation

b) running inflation

c) hyperinflation

d) walking inflation

Ans =d

30) National income will be equilibrium when

a) I >S

b) I<S

C) I=S

d) none of the above

Ans =d

31Monetary policy for controlling inflation includes

   a) Open market operation
   b) Price ceiling
   c) Establishment of fare price shopping ceiling
   d) None of the above
      Ans =a

   32) Fisher`s equation of quantity theory of money is
   a) MV=PT
   b) M= KPY
   c) both a and b
   d) neither a nor b
   Ans =a

   33) The assumption(s) of Say`s law of market is / are
   a) perfect competition in both the labor and commodity markets
   b) no government intervention
   c) both a and b
   d) neither a nor b
   Ans =c

   34) Wage- price flexibility theory is propounded by
   a) Adam smith
   b) David Ricardo
   c) J. M. Keynes

d) A. C. Pig-out

Ans =c

35) In case of open economy

a) Y= C+I+G+(X –M)

b) Y= C+I+G

c) Y> C+I+G+(X-M)

Ans =a

36) GDP deflator means

a) (nominal GNP / Real GNP) X 100

b) (Real GNP/ Nominal GNP) X 100

c) Nominal GNP X Real GNP

d) Nominal GNP – Real GNP

Ans = a

37) Aggregate demand means

a)AD= C+I+G

b) AD = C+I+G (X-M)

c) AD> C+I+G

d) AD > C+I+G+(X-M)

Ans =a

38) Which of the following is GDP at current price

a) nominal GDP

b) real GDP

c) inflationary GDP

d) value- added GDP

Ans =a

SEMESTER – 1 (B. Com Ist sem Hons) and SEMESTER – 5 (B. Com 5th sem pass)

Paper-BC H 1.4   and Paper –BC 5.4 GE --1

Micro Economics

1) Demand curve shifts downward , when
a) At the same price level demand falls
b) Price increases and demand falls
c) Price falls and demand also falls
d) At the same price level demand increases

    Ans =c

2) Prices elasticity of demand shows the relationship between demand for a commodity and
    a) Price of other commodities
    b) Price of that commodity

c) Tastes and preferences of the consumer

d) Income of the consumer

Ans b

3) Cross- price elasticity of demand between tea and café is

a) Negative

b) Positive

c) Zero

d) Infinite

Ans =b

4) In case of horizontal demand curve , price elasticity of demand is

a) Equal to zero

b) Equal to one

c) Equal to two

d) Infinite

Ans =a

5) The basic problem of an economy is

a) What to produce

b) How to produce

c) For whom to produce

d) All of the above

Ans =d

6) Demand curve remaining the same , if the supply curve shifts to the right , then

a) Price and quantity move in the same direction

b) Price and quantity move in the opposite direction

c) Price and quantity remain unchanged

d) None of the above

e) Ans =b

7) the quantity demanded depends on

a) Its price

b) Income

c) Price of other goods

d) All of the above

Ans =d

8) A rightward shift in supply schedule indicates

a) A decrease in supply

b) An increase in supply

c) An increase in quantity supply

d) A decrease in quantity supply

e) Ans =b

9) Land ,labour, capital, entrepreneurship are all examples of which of the following ?

a) Public goods

b) Inferior goods

c) Factors of production

d) Outputs

Ans =c

10) The law of diminishing marginal utility is most useful for explaining the

a) Law of supply
b) Law of demand
c) Shape of the production possibility curve
d) Curvature of total cost curve
   Ans =b

11) If consumer`s income increases, the demand for normal product X
a) Will remain unchanged
b) Will necessarily increase
c) Will necessarily decrease
d) May increase or decrease
e) Ans =b

12) An increase in product price will cause
a) Quantity demanded to decrease
b) Quantity supplied to decrease
c) Quantity demanded to increase
d) The demand curve to shift to the left
   Ans =c

13) " all Geffen goods are inferior ,but all inferior goods are not Geffen goods". The statement is
a) Sometime true
b) True
c) False
d) None of the above
   Ans =b

14) Total utility is maximum, when
a) Marginal utility is maximum
b) Marginal utility is zero
c) Marginal utility increases
d) Average utility is maximum
   Ans =b

15) Marginal utility means –
a) Change in total utility due to one unit change in consumption
b) Change in total utility due to no change in consumption
c) Change in utility due to change in price
d) Change in utility due to change income
   Ans =a

16) At the point of equilibrium , the slope of indifference curve and budget line are
a) Different
b) Equal
c) Not measurable
d) Increasing
   Ans =b

17) Marginal rate of substitution is the ----- of the indifference curve
a) Mean
b) Slope
c) Peak
d) Inverse
   Ans =b

18) A price consumption curve traces the utility- maximizing combinations of two goods as
   a) The price of one good changes
   b) The consumer`s preferences change
   c) The consumer`s income change
   d) The demand curve for one of the goods shifts rightward
      Ans =a
19) "Higher the indifference curve , higher will be the level of satisfaction". The statement is
   a) Always true
   b) Always false
   c) Sometimes true and sometimes false
   d) True only if price effect is positive
      Ans =a
20) Diminishing returns occur when a firm
   a) Uses too much of all inputs
   b) Uses more and more of one input while holding all other inputs constants
   c) Does not utilize its input efficiently
   d) Cut down on the quantity of all inputs it uses
      Ans =b
21) In the long run , which of the following factors of production is fixed ?
   a) Capital
   b) Building
   c) Labor
   d) None of the above
      Ans = d
22) Opportunity cost is a/an
   a) Spill-over cost
   b) Money cost
   c) Alternative cost
   d) Social cost
      Ans =c
23) Difference between average revenue and average cost is
   a) Total profit
   b) Net profit
   c) Average profit
   d) Marginal profit
      Ans = c
24) All of the following curves are 'U' – shaped, except the
   a) AFC curve
   b) MC curve
   c) AC curve
   d) AVC curve
      Ans = a
25) Total revenue is maximum when elasticity of demand is
   a) 3
   b) 1
   c) 0
   d) 0.5

e) Ans = b

26) For getting total revenue , the formula is
   a) TR/q
   b) MR+ q
   c) AR/q
   d) AR X q
      Ans = d

27) A firm will close down in short-run period , if AR is less than
   a) AC
   b) AVC
   c) MC
   d) None of the above
      Ans =b

28) Normally the isoquant slopes
   a) Downward from left to right
   b) Upwards from right to left
   c) Upwards from left to right
   d) Backwards from left to right
      Ans =a

29) The long run average cost curve envelopes
   a) All short run average cost curves
   b) All average variable cost curves(short run)
   c) All short run marginal cost curves
   d) None of the above
      Ans = a

30) Perfect competition occurs in a market where there are many firms , each selling
   a) A unique product
   b) An identical product
   c) A competitive product
   d) None of the above
         Ans = b

31) Which of the following is not a feature of perfect competition ?
   a) Both buyers and sellers have complete information about the market
   b) No single firm can exert a significant influence on the market price of the good
   c) There is no restriction on entry into the market
   d) There are many buyers
      Ans =c

32) In a monopoly market , price is
   a) Greater than marginal cost
   b) Equal to marginal cost
   c) Less than marginal cost
   d) None of the above
      Ans = a

33) Monopolistic competitor`s product is
   a) Heterogeneous
   b) Homogeneous
   c) Slightly differentiated from others

d) Neither a nor b nor c

Ans = c

34) In monopolistic competition , each firm`s marginal revenue curve has

a) a negative slope
b) a slope equal to zero
c) a positive slope
d) none of the above

Ans = a

35) in case of monopoly a firm in long-run can have

a) breakeven
b) profit
c) loss
d) all of the above

Ans = b

36) a firm is in equilibrium when the following condition is fulfilled

a) MR = MC
b) MC < MR
c) MC = 0
d) MC > MR
e) Ans = a