



Exam Seat No. ____

B. P. COLLEGE OF BUSINESS ADMINISTRATION

(Constituent College of Kadi Sarva Vishwavidyalaya)

BBA SEM – I

MCQ TEST September 2013

SUB: Basic Economics - I (BBA 02)

Date: 07/09/13

Day: Saturday

Total Marks: 60

Duration: 40 minutes

Instructions:

- All questions are compulsory.
- All questions carry 2 marks each.

- Q.1 _____ is called the father of economics.
a. Mahatma Gandhi b. Adam Smith c. Alfred Marshall d. David Ricardo
- Q.2 Wealth definition of economics emphasizes on _____.
a. welfare b. scarcity of resources c. wealth of nations d. economic development
- Q.3 _____ focuses on material welfare while defining economics.
a. Adam Smith b. Alfred Marshall c. David Ricardo d. J.M. Keynes
- Q.4 Scarcity definition of economics goes by the name of _____.
a. Adam Smith b. Alfred Marshall c. David Ricardo d. J.M. Keynes
- Q.5 Dr. J. M. Keynes is a _____.
a. classical economist b. neo-classical economist c. modern economist d. born economist
- Q.6 What is Economics?
a. a physical science b. a social science c. a mythology d. none
- Q.7 Which of the following statements is correct?
a. economics is only an art b. economics is only a science
c. economics is both a science and an art d. economics is neither a science nor an art
- Q.8 Which of the following statements is correct?
a. economics is micro only b. economics is macro only
c. economics is both micro and macro d. economics is neither micro nor macro
- Q.9 Study of individual economic units is a part of _____.
a. micro economics b. macro economics c. both micro and macro economics d. none
- Q.10 Macro economics studies the behavior of _____.
a. individual economic entity b. economic aggregates c. firms only d. consumers only
- Q.11 Free goods are _____.
a. man-made b. nature made c. paid for d. not available to all
- Q.12 Your friend's treat to you is a/an _____.
a. free goods b. economic goods c. social goods d. negative goods
- Q.13 Production Possibility Curve is directly related to:
a. consumers b. producers c. Farmers d. all
- Q.14 Production Possibility Curve is:
a. downward slopping b. upward slopping c. a straight line d. linear
- Q.15 Which of the following is called optimal allocation of the given resource?
a. producing on PPC b. producing below PPC
c. Producing above PPC d. not producing at all

- Q.16 Want satisfying capacity of a commodity is called:
a. need d. demand c. utility d. satisfaction
- Q.17 Utility and satisfaction are the same. (a. True b. False)
- Q.18 Which of the following commodities has utility but not usefulness?
a. pen b. cell phone c. cigarette d. motor car
- Q.19 Utility which cannot be quantified is called _____.
a. cardinal utility b. ordinal utility c. marginal utility d. negative utility
- Q.20 Marginal utility is the summation of total utilities. (a. True b. False)
- Q.21 The additional utility derived from the consumption of an extra unit of the stock is called:
a. average utility b. marginal utility c. total utility d. maximum utility
- Q.22 When marginal utility is zero, total utility is:
a. also zero b. maximum c. minimum d. diminishing
- Q.23 When marginal utility is negative, total utility must be:
a. increasing b. constant c. diminishing d. also negative
- Q.24 A bagger's want for a motor car is not his demand for it. The reason may be.....
a. he is not willing to pay b. he does not have the ability to pay
- Q.25 All economic goods are free goods but all free goods are not economic goods. (a. True b. False)
- Q.26 In economics, feel of absence of a commodity is termed as:
a. need b. want c. utility d. demand
- Q.27 A greedy person wanting to stay in a five star hotel is not his demand for it. The reason may be...
a. he is not willing to pay b. he does not have the ability to pay
- Q.28 Exchange value expressed in terms of money is called:
a. price b. use value c. exchange value d. value
- Q.29 Which of the following is a sign of development?
a. equal distribution of income b. unequal distribution income
c. production of liquor d. none of the above
- Q.30 Scarcity definition of economics goes by the name of _____.
a. Adam Smith b. Alfred Marshall c. David Ricardo d. J.M. Ke