

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom DEGREE EXAMINATION MAY 2019
(First Semester)

Branch - COMMERCE WITH PROFESSIONAL ACCOUNTING

GENERAL ECONOMICS

Time : Three Hours

Maximum : 60 Marks

SECTION-A (26 Marks!)

Answer ALL questions

ALL questions carry EQUAL marks (26 x 1 = 26)

1 Multiple Choice Questions :

- a The wealth definition of Economics is given by
(i) Samuelson (ii) Lionnel Robbins (iii) Marshall (iv) Adam Smith
- b A point inside the production possibility curve shows a
(i) low production (ii) high production
(iii) optimum production (iv) maximum production
- c Privatisation implies
(i) promoting private companies (ii) permitting only private companies
(iii) disinvestment of public sector companies (iv) investment in private companies
- d In the process of Globalisation the countries of the world got
(i) separated (ii) integrated
(iii) independence in trade (iv) freedom to move labour
- e The World Trade Organization came into existence in January
(i) 1991 (ii) 1995 (iii) 2000 (iv) 2005
- f Inference from the general to the particular is
(i) Inductive method (ii) Deductive method (iii) Arc method (iv) Flow method
- g The Average Fixed Cost (AFC) is arrived by
(i) $\frac{TVC}{TFQ}$ (ii) $\frac{TFQ}{TSAC}$ (iii) $\frac{TSAC}{LTFC}$ (iv) $\frac{LTFC}{TSAC}$
- h Accounting Cost is also known as
(i) Banking cost (ii) Transaction cost (iii) Non-money cost (iv) Explicit cost
- i If one input is variable and all other inputs are fixed the firm's production function exhibits the law of
(i) Fixed proportions (ii) Constant proportions
(iii) Variable proportions (iv) Increasing proportions
- j Name of the Economist who applied the Law of Diminishing Returns is
(i) Pigow (ii) J.B Say (iii) Marshall (iv) Keynes
- k The reward for organisation is
(i) Bonus (ii) Salary (iii) Profit (iv) Increment and promotion
- l One among the following does not determine demand, identify.
(i) Income (ii) Price (iii) Interest rate (iv) Tastes
- m An indifference curve is
(i) Convex to the origin (ii) Concave to the origin
(iii) Centre to the origin (iv) marginal to the origin
- n Consumer's surplus can be measured by using the concept

- o In perfect competition a firm is a
 (i) Game changer (ii) Price follower
 (iii) Market leader (iv) Influential holder of price
- p Selling or Advertisement costs are associated with
 (i) Monopoly (ii) Monopolistic competition
 (iii) Perfect competition (iv) Monopsony
- q The contribution of Agricultural Sector to the GDP of India, in percentage terms is
 (i) 72 (ii) 50 (iii) 22 (iv) 12
- r The Per Capita Income of India is (2017-18).
 (i) Rs. 1,12,835 (ii) Rs. 1,00,600 (iii) Rs. 75,600 (iv) Rs. 50,000
- s A major portion of India's It Software exports goes to
 (i) Europe (ii) USA and Canada (iii) China (iv) Russia
- t The Steel Industry is promoted by
 (i) Steel Industry Promotion Organization (SIPO)
 (ii) Central Steel Industry Authority (CSIA)
 (iii) Steel Authority of India Limited (SAIL)
 (iv) National Steel Industry Corporation (NSIC)
- u Around 80% of mall car segment in India is controlled by
 (i) Toyota (ii) Maruti-Suzuki (iii) Hundai (iv) Ford
- v The sex ratio (ratio of females per 1000 males) in India, according to 2011 census is
 (i) 972 (ii) 964 (iii) 945 (iv) 940
- w The Gross Enrolment Ratio (GER) in Higher Education in India is (%).
 (i) 56 (ii) 46 (iii) 17 (iv) 27
- x Control of Inflation relates to
 (i) Taxation policy (ii) Monetary policy
 (iii) Wage policy (iv) Population policy
- y The Balance of Payments of India accounts are classified into
 (i) Two (ii) Three (iii) Four (iv) Five
- z Budgetary deficit plus market borrowings constitute
 (i) normal deficit (ii) budget deficit (iii) fiscal deficit (iv) primary deficit

SECTION - B (10 Marks!)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (2 x 5 = 10)

- 2 Define National income and briefly state how it is measured.
- 3 Explain the features of perfect competition and monopoly

SECTION - C (24 Marks!)

Answer any THREE Questions

ALL Questions Carry EQUAL Marks (3 x 8 = 24)

- 4 Write short notes on Liberalization and Globalization.
- 5 Distinguish between Law of Variable Proportions and Laws of Returns of Sale.
- 6 Define Law of Demand, Consumer Behaviour and Oligopoly
- 7 Evaluate the prnwth nf TT TnHnstrv in TnHin