

B.B.A. Part-I (Semester—I) (CBCS) Examination**PRINCIPLES OF ECONOMICS (DSC)**

Time : Three Hours]

[Maximum Marks : 80

Note :— (1) All questions are compulsory.

(2) Draw a diagram wherever necessary.

SECTION—A

(MCQ's)

1. Definition of economics, given by Marshall is related to _____.
 - (a) Human welfare
 - (b) Wantlessness
 - (c) Wealth
 - (d) Scarcity
2. The whole households in the economy is studies in _____.
 - (a) Public economics
 - (b) International economics
 - (c) Micro economics
 - (d) Macro economics
3. In MRS, the meaning of M is _____.
 - (a) Maximum
 - (b) Marginal
 - (c) Minimum
 - (d) Micro
4. Diminishing marginal utility theory is called as _____.
 - (a) Marshall's second law
 - (b) Gossen's second law
 - (c) Gossen's first law
 - (d) None of these
5. Which of the following is a correct statement of demand ?
 - (a) There is demand in the market
 - (b) There is demand in the market today
 - (c) Today there is a demand for apples in the market
 - (d) Today there is a demand in the market for 500 apples at the price of Rs. 100
6. If a small change in price leads to a large change in demand it is called _____.
 - (a) Less elastic demand
 - (b) More elastic demand
 - (c) Perfect elastic demand
 - (d) Perfect inelastic demand

7. The relation between price and supply is _____.
 (a) Inverse (b) Direct
 (c) Reverse (d) None of these
8. Which of the following is not a external economies ?
 (a) Centerlisation of firms (b) Internal efficiency
 (c) Technological economies (d) None of these
9. _____ cost varies with the size of the product.
 (a) Fixed cost (b) Opportunity cost
 (c) Variable cost (d) Direct cost
10. Which of the following is not a types of revenue ?
 (a) Foreign revenue (b) Total revenue
 (c) Average revenue (d) Marginal revenue
- 10×2=20

SECTION—B

Short answer questions :

1. (a) 'Economics is a study of wealth' explain this statement.

OR

- (b) Explain the importance of macro economics.

2. (a) Explain the concept of MRS.

OR

- (b) What is meant by utility ?

3. (a) Explain any two exceptions of law of demand.

OR

- (b) Explain the determinants of elasticity of demand.

4. (a) What is meant by change in supply ?

OR

- (b) Explain the concept of ISO quants.

5. (a) Explain the types of revenue.

OR

- (b) Explain the types of costs.

5×4=20

SECTION—C

Long answer questions :

1. (a) Explain the nature and limitations of economic laws.

OR

- (b) State the meaning, merits and demerits of micro economics.

2. (a) Explain the concept and characteristics of indifference curve.

OR

- (b) Explain in detail, the law of equi marginal utility with suitable diagrams.

3. (a) What is meant by demand ? Explain the concept of change in demand.

OR

- (b) Explain the various methods of measurements of elasticity of demand.

4. (a) Explain in detail, internal and external diseconomies.

OR

- (b) Explain the law of variable proportions with suitable example and diagram.

5. (a) Explain in detail, short run cost curves.

OR

- (b) Explain in detail, long run cost curves.

5×8=40