

**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.

$5 \times 8 = 40$