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BBABMC 106/BBMBMC 106

Credit Based I Semester B.B.A./B.B.M. Degree Examination, Nov./Dec. 2018
(2012 Scheme)
PRINCIPLES OF ECONOMICS

Time : 3 Hours

Max. Marks : 80

SECTION – A

(One mark each)

1. Answer **any ten** in **one** or **two** sentences **each**.

(1×10=10)

- What is an indifference map ?
- Draw an exceptional supply curve.
- What do you mean by horizontal mobility of labour ?
- What is price mechanism ?
- Distinguish between fixed capital and circulating capital.
- What are substitutes ?
- How does economic problems arise according to Lionel Robbins ?
- What happens to marginal utility when total utility starts diminishing ?
- Distinguish between stock and supply.
- What do you mean by promotional elasticity ?
- Give examples for necessities of life.
- Why are the bad eggs not considered scarce in economic sense ?

SECTION – B

(5 marks each)

Answer **any five** in **not** more than **two** pages.

(5×5=25)

- Explain the characteristics of human wants.
- Distinguish between micro economics and macro economics.

P.T.O.



4. Define Mobility of Labour. Explain the determinants of Mobility of Labour.
5. State and explain the Law of Supply.
6. Classify price elasticity of demand.
7. Explain the doctrine of consumer surplus.
8. Explain the properties of an indifference curve.

SECTION – C

(15 marks each)

(15×3=45)

9. Explain the basic problems of an economy with the help of production possibility curve.

OR

State and explain the law of diminishing marginal utility principle. What are its uses ?

10. Explain the law of demand. Why does the demand curve slopes downwards ? Can you think of exceptional demand curve ?

OR

What are indifference curves ? Explain consumer equilibrium with indifference curve approach.

11. Who is an entrepreneur ? Explain the attributes of an ideal entrepreneur.

OR

Define price elasticity. Explain the methods of measuring price elasticity. Bring out the practical importance of price elasticity.
