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BBABMC 106/BBMBMC 106

**Credit Based I Semester B.B.A./B.B.M.
Examination, October/November 2016
(2012 Scheme)
ECONOMICS
Principles of Economics**

Time : 3 Hours

Max. Marks : 80

**SECTION – A
(1 mark each)**

(1×10=10)

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

- What is price mechanism ?
- What are substitutes ?
- Mention any one distinction between Micro Economics and Macro Economics.
- Who gave the scarcity definition of economics ?
- What do you mean by promotional elasticity ?
- Give example for time utility.
- What is the origin of all economic problems ?
- Define land in economics.
- What is meant by ceteris paribus ?
- What do you mean by efficiency of labour ?
- What do you mean by horizontal mobility of labour ?
- What is ordinal analysis ?

**SECTION – B
(5 marks each)**

(5×5=25)

Answer **any five** in to more than **two** pages :

- Define consumer's sovereignty ? What are its limitations ?
- State and explain law of supply.

P.T.O.



4. What is division of labour ? Discuss its merits and demerits.
5. Classify price elasticity.
6. Explain the characteristics of human wants.
7. Write a note on changes in demand.
8. Explain the doctrine of consumer surplus.

SECTION – C
(15 marks each)

(15×3=45)

9. State and explain the law of diminishing marginal utility. Point out its practical utility.

OR

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

10. Explain the law of demand with suitable example. Why does the demand curve slope downwards ? Can you think of an exceptional demand curve ?

OR

Define price elasticity. Explain the methods of measuring price elasticity of demand point out its uses.

11. What are indifference curves ? Explain the properties of indifference curves.

OR

Who is an entrepreneur ? Explain the qualities of an ideal entrepreneur.