# B. P. COLLEGE OF BUSINESS ADMINISTRATION

**(Constituent College of Kadi Sarva Vishwa Vidhyalaya)**

## MID-TERM Examination- September - October, 2013

Date: 30/09/13 BBA SEM-I Total marks: 60

Roll No…….. SUB: **Basic Economics-I (**BBA 02) Duration: 3 Hours

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**Instructions:**

1. All questions are **compulsory**.
2. Figures to the **right** indicate full marks.
3. Indicate **clearly**, the options you attempt along with its respective Question number.

Q1. (a) Define economics in your own words. (06)

(b) Distinguish between wealth definition and welfare definition of economics. (06)

Q2. (a) Choose the correct option. (06)

1) Which of the following statements is correct?
   a. economics is only an art b. economics is only a science
   c. economics is both a science and an art d. None of the above
2) Other things being constant when prices rise we buy less. This is _____.
   a. normative economics b. positive economics c. welfare economics d. none
3) A greedy person wanting to stay in a five star hotel is not his demand for it. The reason may be…
   a. he is not willing to pay b. he does not have the ability to pay
4) Any combination falling above the PPC can be produced only if:
   a. more resources are available b. same resources are optimally used
   c. government gives subsidy d. producers are motivated
5) Total utility is the sum-total of:
   a. average utility b. marginal utility c. total utility d. maximum utility
6) Other things remaining constant, price of a commodity influences its quantity demanded.
   a. inversely b. Proportionately c. Directly d. None of these

(b) Explain Production Possibility Curve with diagram. (06)

**OR**

(b) Distinguish between want and demand with examples. (06)

Q3. Explain the Law of Diminishing Marginal Utility and state its limitations. (12)

**OR**

What do you mean by utility? Explain various utility concepts. (12)

Q4. Define demand and discuss its determinants. (12)

**OR**

Q4. Explain the law of Demand with diagram. (12)

Q5. Write short notes on any TWO. (12)

i. Marginal Utility and Total Utility
ii. Expansion-Contraction and Increase-Decrease in demand
iii. Microeconomics
iv. Macroeconomics