

P P SAVANI UNIVERSITY

First Semester of B.B.A Examination

December 2022

SMBB1040 Economics -I (Micro)

22.12.2022, Thursday

Time: 09:00 a.m. To 11:30 a.m.

Maximum Marks: 60

Instructions:

1. The question paper comprises of two sections.
2. Section I and II must be attempted in same answer sheets.
3. Make suitable assumptions and draw neat figures wherever required.

SECTION - I

		CO	BLT
Q - 1	Answer the Following: (Answer to any 5 MCQ)	[05]	
(i)	When Total Utility is Maximum, Marginal Utility is _____ A) Maximum B) Minimum C) Negative D) Zero	1	2
(ii)	Scarcity give rise to _____ A) Problem of Choice B) Problem of Production C) Problem of Consumption D) Problem of Distribution	1 /	1
(iii)	Marginal Utility of Money is _____ A) Zero B) Negative C) Infinite D) Finite	2	3
(iv)	As per Law of Demand, the Slope of Demand curve must be _____ A) Positive B) Zero C) Negative D) None	3	2
(v)	Human Wants are: _____ A) Countable B) Limited C) Finite D) Unlimited	1	3
(vi)	Law of supply doesn't apply in the case of: _____ A) Rare articles B) Cost of production C) Natural factors D) Prices of related goods	1	3
(vii)	Which of the following definition of economics is given by Adam Smith? A) Growth B) Wealth C) Welfare D) Scarcity	2	1
Q - 2 (a)	Evaluate on Welfare definition of Economics ?	[05]	2 2
Q - 2 (b)	Explain Law of Equal Marginal Utility?	[05]	1 2
OR			
Q - 2 (a)	Explain in brief where the Law of demand does not apply?	[05]	1 3
Q - 2 (b)	Explain difference between Stock & Supply. State Law of Supply ?	[05]	3 2
Q - 3 (a)	Evaluate any 6 Determinants of Demand?	[05]	2 5
Q - 3 (b)	Analyze the Scope of Economics?	[05]	2 4
OR			
Q - 3 (a)	Explain economics as Positive science and Normative science?	[05]	3 2
Q - 3 (b)	What is Law of Diminishing Marginal Utility?	[05]	2 1
Q - 4	Attempt any One Question (Short Note Question)	[05]	
(i)	Analyze Scarcity definition of Economics ?	1	4
(ii)	What is Demand? Explain Law of demand with diagram.	2	1

SECTION - II

- Q - 1** Answer the Following: **(Answer to any 5 MCQ)** [05]
- (i) Cross elasticity of demand between Tea and Coffee is ____ [1] [1]
A) Zero B) Positive C) Infinite D) Negative
- (ii) Price Elasticity of Demand for Petrol is ____ [2] [2]
A) Relatively inelastic demand B) Perfectly inelastic demand
C) Relatively elastic demand D) Perfectly elastic demand
- (iii) In which of the following market Prices do not change ____ [3] [1]
A) Monopoly B) Monopolistic competition
C) Oligopoly D) Perfect Competition
- (iv) In which of the following market Product differentiation is seen [1] [2]
____ A) Monopoly B) Monopolistic competition C) Monopoly and
Monopolistic competition D) Perfect Competition
- (v) Quantity demand remains same whatever change in price is [2] [2]
called ____
A) Relatively inelastic demand B) Perfectly inelastic demand
C) Relatively elastic demand D) Perfectly elastic demand
- (vi) Income elasticity of demand for ____ goods is Negative. [1] [2]
A) Normal B) Luxury
C) Inferior D) Essential
- (vii) For goods like salt the price elasticity of demand will be ____ [2] [1]
A) $E_d=1$ B) $E_d<1$ C) $E_d=0$ D) $E_d>1$
- Q - 2 (a)** Evaluate on Income Elasticity of Demand ? [05] [2] [5]
Q - 2 (b) Explain Total outlay method of calculating price elasticity demand ? [05] [1] [2]
OR
- Q - 2 (a)** Explain in brief various types of Price Elasticity of Demand ? [05] [2] [2]
Q - 2 (b) Explain with diagram Geometric Method of calculating Price Elasticity [05] [2] [2]
of Demand ?
- Q - 3 (a)** Analyse Practical Importance of Price Elasticity of Demand ? [05] [3] [4]
Q - 3 (b) Explain features of Monopoly ? [05] [1] [2]
OR
- Q - 3 (a)** Explain any 5 Features of Monopolistic Competition market ? [05] [3] [2]
Q - 3 (b) Evaluate Cross Elasticity of Demand ? [05] [2] [5]
- Q - 4** **Attempt any One Question (Short Note Question)** [05]
- (i) What are the various factors affecting Price Elasticity of Demand? [2] [2]
Explain any 3 of them ?
- (ii) Explain any 5 Features of Oligopoly Market ? [1] [2]

CO : Course Outcome Number

BTL : Blooms Taxonomy Level

Level of Bloom's Revised Taxonomy in Assessment

1: Remember	2: Understand	3: Apply
4: Analyze	5: Evaluate	6: Create
