



AQ-5392 Seat No. _____
First Year B. B. A. Examination
March / April – 2016
Principles of Economics
(Old Course)

Time : 3 Hours]

[Total Marks : 100]

Instructions : (1) Attempt all questions.
(2) All questions carry equal marks.
(3) Draw diagrams if required.

1 Explain Lionel Robbin's scarcity definition of Economics. **20**

OR

1 (a) What are the main functions of money ?
(b) Discuss Nature and scope of Economics.

2 (a) Explain law of demand with the help of diagram. **10**

(b) What are the various functions of commercial banks ? **10**

OR

2 Examine critically Keynesian theory of unemployment. **20**

3 (a) Explain different types of price elasticity of demand. **10**

(b) Explain different stages of trade cycle. **10**

OR

3 (a) Explain monetary and real wage. What are the factors affecting on real wage ? **10**

(b) Explain the concept of GDP and GNP. **10**

4 (a) Discuss meaning and characteristics of perfect competition. **10**

(b) Explain kinked demand curve in Oligopoly. **10**

OR

4 (a) Explain credit creation process with example. **10**
(b) What is internal and international trade ? **10**

5 Write notes on any two : **10+10**

- (1) Law of supply
- (2) Total Utility and Marginal Utility
- (3) Risk and Uncertainty theory of profit
- (4) Ricardian Theory of Rent
- (5) Balance of trade and balance of payment
- (6) Functions of Central Bank.
