

**B.B.A. LL.B. (5 YEAR DEGREE COURSE) SEM-I (2015 COURSE) :**  
**WINTER - 2017**

**SUBJET: ECONOMICS-I (GENERAL PRINCIPLES)**

Day: **Monday**  
Date: **22/01/2018**

**W-2017-4462**

Time: **02.30 PM TO 05.30 PM**  
Max Marks: **60**

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**N.B:**

- 1) All questions are **COMPULSORY**.
  - 2) Figures to the right indicate **FULL** marks.
  - 3) Draw neat diagrams **WHEREVER** necessary.
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**Q.1** 'Mixed Economy is like riding two horses at the same time.' Do you agree? (12)  
Justify your answer.

**OR**

**Q.1** What are the characteristics of 'Perfect Competition'? Explain how price is (12)  
determined in perfect competition with the help of a diagram.

**Q.2 a)** What are the advantages of sole- proprietorship? (06)  
**b)** Explain the features and functions of capital. (06)

**OR**

**Q.2 a)** Explain 'Price Discrimination' in Monopoly. (06)  
**b)** What are the objectives of Fiscal Policy? (06)

**Q.3** State the Law of Supply with its assumptions and exceptions. (12)

**OR**

**Q.3** What is the organizational structure and the objectives of World Bank? Assess (12)  
the relationship of World Bank & India.

**Q.4** What are the advantages and disadvantages of 'Partnership'? (12)

**OR**

What are the functions of Central Banking Institution? (12)

**Q.5 a)** Explain the process of multiple credit creation using Rs. 10,000/- as the initial (06)  
deposit and the total Reserve Ratios of 5%. What will be the amount of credit  
created?

**b)** Suppose the Reserve Bank wants to employ the 'Dear Monetary Policy'. What (06)  
should be the steps taken in reference to following.

- i) Open Market Operations
- ii) Cash Reserve Ratio

**OR**

**Q.5 a)** Explain M1, M2, and M3 Concepts of Money Supply. (06)

**b)** Explain the 'Economic Problem' using Robbins definition of Scarcity and (06)  
Choice.