



AJEENKHYA

D Y PATIL UNIVERSITY

End Term Examination (December 2019)

School: Liberal Arts

Program: Odd term- BALA

Course: Economics-I

Course Code: BLB103

Semester: 1

Max Marks: 40

Duration (mins): 120 mins

SECTION 1

All questions are compulsory and carry 1 mark each

Q.I Give one word for the following:

5 Marks

- 1) The horizontal demand curve parallel to x-axis implies that the elasticity of demand is ____
- 2) The final value of the goods and services produced within the geographic boundaries of a country during a specified period of time, normally a year_____
- 3) The return to the factor of production –Capital is _____
- 4) All points on the production possibility frontier are called_____
- 5) The goods which are used up in producing the final goods and services_____

Q.II Write short notes on:

5 Marks

1. GDP
2. GNP
3. Scarcity
4. Giffen goods

5. Intermediate goods

SECTION II

Q.1 Answer any four from the following:

20 Marks

- a) State and explain the four sector model of circular flow of income, with the help of a neat diagram?
- b) State and explain the various types of shocks in an economy using real life examples?
- c) What are the causes and effects of bubbles in an economy explain using examples?
- d) The demand and supply functions of a good are given by

$$Q_d = 110 - 5P$$

$$Q_s = 6P$$

Where P, Q_d and Q_s denote price, quantity demanded and quantity supplied respectively.

Plot a graph using the above function for different prices, and also find out the equilibrium price and quantity?

- e) Explain the various types and characteristics of money?
- f) Explain the inductive and deductive methods using relevant examples?

Q.II) Write a short essay on any one of the following:

10 Marks

- a) Innovation and Economic growth
- b) From paper currency to crypto currency
- c) IOT and economic growth