



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF LAW
END TERM EXAMINATION - JAN 2023**

Semester : Semester I - 2022

Course Code : BAL2009

Course Name : Sem I - BAL2009 - Introduction to Economics

Program : LLB (All)

Date : 11-JAN-2023

Time : 1.00PM - 4.00PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.

PART A

ANSWER ALL THE FOLLOWING QUESTIONS

10 X 2 = 20M

1. Define the opportunity cost and give a proper example.
(CO1) [Knowledge]
2. In 1985 the Nominal GDP = \$200 billion, and the Real GDP = \$220 billion. Calculate the GDP deflator for this economy in 1985.
(CO2) [Knowledge]
3. State two points where demand curve is upward sloping.
(CO3) [Knowledge]
4. Explain that "Higher indifference curve gives a higher level of satisfaction".
(CO4) [Knowledge]
5. State two assumptions of the law of diminishing marginal utility.
(CO4) [Knowledge]
6. State two properties of Iso-quant curve.
(CO5) [Knowledge]
7. Distinguish between cardinal and ordinal utility. Provide examples for each.
(CO4) [Knowledge]
8. State two factors that affect demand.
(CO3) [Knowledge]
9. Define marginal utility and explain the condition of marginal utility if total utility is zero(0).
(CO4) [Knowledge]
10. Explain that "two Iso-quant curves cannot cross each other"
(CO5) [Knowledge]

PART B

ANSWER ALL THE FOLLOWING QUESTIONS

4 X 10 = 40M

11. Explain in detail the three measures of calculating Gross Domestic Product.
(CO2) [Comprehension]
12. Explain in detail about the exception to law of demand.
(CO3) [Comprehension]
13. Explain the law of diminishing marginal utility with the help of schedule and diagram?
(CO4) [Comprehension]
14. Explain in detail the Law of returns to scale.
(CO5) [Comprehension]

PART C

ANSWER ALL THE FOLLOWING QUESTIONS

2 X 20 = 40M

15. What is the elasticity of demand? Explain the price elasticity of demand and the degree of price elasticity of demand with the proper example and graph.
(CO3,CO4) [Application]
16. Explain the law of variable proportion with the help of a schedule and diagram.
(CO5) [Application]
