Seat No.	:	

ML-104

July-2021

BBA, Sem.-I

CC-104: Principles of Economics (Micro)

Time: 2 Hours] [Max. Marks			[Max. Marks: 50			
Instructions: (1) All Questions in Section I carry equal marks.						
(2) Attempt any Two questions in Section I .						
		(3) Question 5	in Section II is C	ompulsory.	
				Section –	I	
1.	(A)	Discuss	s the scarcity or	riented definition	of economics.	10
	(B)	Explair	n the production	n possibility curve	<u>.</u>	10
2.	(A)	Explair	n the law of den	nand in detail.		10
	(B) Explain the determinants of demand.			10		
3.	(A)	Discuss	s the law of sup	ply in detail.		10
	(B)	Discuss	s the features of	f monopoly.		10
4.	(A)	Discuss	s the factors aff	ecting real wages		10
	(B)	Explain	n the innovation	theory of profit	in detail.	10
Section – II						
5.	MC	Qs. (Any	Ten)			10
	(1)	Accord	ling to whom "l	Economics is neur	tral between ends"?	
		(a) P	igou	(b)	Robbins	
		(c) N	Marshall	(d)	Samuelson	
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(2)	The central point of the definition of economics given by Samuelson.				
	(a)	Scarcity	(b)	Wealth	
	(c)	Growth	(d)	Welfare	
(3)	In a	free market economy, resourc	e allo	cation is determined by	
	(a)	Planning Commission	(b)	Government	
	(c)	Voting	(d)	Price Mechanism	
(4)	Priva	te property is the most essential feature of			
	(a)	Planned economy	(b)	Capitalist economy	
	(c)	None of above	(d)	All mentioned above	
(5)	The	relation between price and der	mand,	according to the law of demand is	
	(a)	direct	(b)	indirect	
	(c)	zero	(d)	None of above	
(6)	Giffe	en goods are			
	(a)	Luxury goods	(b)	Prestige goods	
	(c)	Inferior goods	(d)	All of above	
(7)	It's N	Marginal Utility can never be	zero.		
	(a)	Money	(b)	Commodity	
	(c)	Services	(d)	All of above	
(8)	Whe	n MU is zero, TU is			
	(a)	minimum	(b)	maximum	
	(c)	zero	(d)	negative	
(9)	Supp	oly of a commodity means			
	(a)	Total stock			
	(b)	Quantity sold			
	(c)	Actual production			
	(d)	Quantity offered for sale at a	a defin	nite price per unit of time.	
(10)	An i	ncrease in supply of a commo	dity is	s caused by	
	(a)	improvement in technology	(b)	rise in price of related goods	
	(c)	fall in its price	(d)	All of above	

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(11)	In which market, there are a few sellers of a product?						
	(a)	Monopoly	(b)	Oligopoly			
	(c)	Duopoly	(d)	Perfect Competition			
(12)	Whic	ch of the following is not a co	nditio	n of perfect competition?			
	(a)	Large number of buyers & sellers					
	(b)	Free entry of firms					
	(c)	Selling cost					
	(d)	Homogeneous product					
(13)	Quas	asi – rent is the surplus income earned by					
	(a)	Land	(b)	Government			
	(c)	Industry	(d)	Factors other than land			
(14)	As co	As compared to money wage, real wage is a					
	(a)	wider concept	(b)	narrow concept			
	(c)	short concept	(d)	long concept			
(15)	Who propounded uncertainty bearing theory of profit?						
	(a)	Clark	(b)	Knight			
	(c)	Hawley	(d)	Schumpeter			

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