

## IL B.B.A., LL.B.-I Examination

## IL BBA 104

## Principles of Economics (Micro)

Time : 3 Hours]

April-2017

[Max. Marks : 70

- 1 Define economics and discuss importance & scope of Micro Economics. 14
- OR**
- 1 What is meant by mixed economy? Discuss its features and mixed economy in India. 14
- 2 ( a ) Explain law of demand and its exceptions. 7
- ( b ) What are the assumptions of law of demand? 7
- OR**
- 2 Define utility and discuss the law of diminishing marginal utility with diagram. 14
- 3 How law of supply works? What are its assumptions and determinants? 14
- OR**
- 3 ( a ) Process of price determination by law of demand and supply. 7
- ( b ) Meaning of markets and its classification. 7
- 4 Discuss marginal productivity theory along with its assumptions and criticism. 14
- OR**
- 4 ( a ) Define profit and discuss risk bearing theory of profit. 7
- ( b ) Concept of real wages and quasirent. 7
- 5 Give following answer of following question: 14
- ( 1 ) Who is father of economics?  
( a ) Ricardo ( b ) Robbins ( c ) Adam Smith ( d ) Keynes
- ( 2 ) As compared to net Profit, concept of of gross profit is :  
( a ) Narrow ( b ) Wider ( c ) Equivalent ( d ) Neither
- ( 3 ) Demand for a factor of production is :  
( a ) Direct demand ( b ) Derieved demand ( c ) Joint demand ( d ) Composite demand
- ( 4 ) In which market a firm has no control over price? :  
( a ) Monopoly ( b ) Duopoly ( c ) Oligopoly ( d ) Perfect competition
- ( 5 ) When price rises, there is ..... in supply :  
( a ) Increase ( b ) Expansion ( c ) Decrease ( d ) Contraction
- ( 6 ) When total utility is maximum, marginal utility is ..... :  
( a ) Negative ( b ) Zero ( c ) Minimum ( d ) Maximum
- ( 7 ) Giffen goods are :  
( a ) Luxury goods ( b ) Prestige goods ( c ) Necessities ( d ) Interior goods
- ( 8 ) There is ..... relationship between price and demand :  
( a ) Direct ( b ) Indirect ( c ) Positive ( d ) Negetive
- ( 9 ) India adopted mixed economy in :  
( a ) 1947 ( b ) 1948 ( c ) 1956 ( d ) 1991
- ( 10 ) In which economy the government follows "Laisser faire" policy? :  
(a) Market economy (b) Planned economy (c) Mixed economy (d) None of the above
- ( 11 ) The central topic of micro economics :  
( a ) Resource allocation ( b ) Determination of GDP ( c ) Inflation ( d ) Business cycle
- ( 12 ) Economic problem arises due to ..... of reources :  
( a ) Scarcity ( b ) Few ( c ) Unlimited ( d ) Plenty
- ( 13 ) Profit is a reward of :  
( a ) Labour ( b ) Capital ( c ) Enterpreneur ( d ) Land
- ( 14 ) In recent period price is expressed in terms of ..... :  
( a ) Dollar ( b ) Pound ( c ) Money ( d ) Goods & services.