

Seat No. : _____

ML-104

July-2021

BBA, Sem.-I

CC-104 : Principles of Economics (Micro)

Time : 2 Hours]

[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 **Compulsory**.

Section – I

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| 1. | (A) Discuss the scarcity oriented definition of economics. | 10 |
| | (B) Explain the production possibility curve. | 10 |
| 2. | (A) Explain the law of demand in detail. | 10 |
| | (B) Explain the determinants of demand. | 10 |
| 3. | (A) Discuss the law of supply in detail. | 10 |
| | (B) Discuss the features of monopoly. | 10 |
| 4. | (A) Discuss the factors affecting real wages. | 10 |
| | (B) Explain the innovation theory of profit in detail. | 10 |

Section – II

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| 5. | MCQs. (Any Ten) | 10 |
| | (1) According to whom “Economics is neutral between ends” ? | |
| | (a) Pigou | (b) Robbins |
| | (c) Marshall | (d) Samuelson |

- (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, resource allocation is determined by ____.
- (a) Planning Commission (b) Government
(c) Voting (d) Price Mechanism
- (4) Private 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 demand, according to the law of demand is ____.
- (a) direct (b) indirect
(c) zero (d) None of above
- (6) Giffen goods are
- (a) Luxury goods (b) Prestige goods
(c) Inferior goods (d) All of above
- (7) It's Marginal Utility can never be zero.
- (a) Money (b) Commodity
(c) Services (d) All of above
- (8) When MU is zero, TU is ____.
- (a) minimum (b) maximum
(c) zero (d) negative
- (9) Supply of a commodity means
- (a) Total stock
(b) Quantity sold
(c) Actual production
(d) Quantity offered for sale at a definite price per unit of time.
- (10) An increase in supply of a commodity is caused by
- (a) improvement in technology (b) rise in price of related goods
(c) fall in its price (d) All of above

