

Seat No. : _____

FG-112
February-2025
Int. MBA, Sem.-I
Economics for Beginners

Time : 2:00 Hour]

[Max. Marks : 50

1. Write the difference between Microeconomics and Macroeconomics. **10**

OR

1. What is Market ? Discuss the factors affecting the size of a Market. **10**

2. Define Poverty. Explain the causes of Poverty in India. **10**

OR

2. (a) What is Utility ? Explain different types of Utility. **5**

(b) Write a note on Circular Flow of Income. **5**

3. Discuss the theory of Rent as given by David Ricardo. **10**

OR

3. Discuss the Marginal Productivity Theory of Distribution. **10**

4. Distinguish between Capitalism and Socialism as modern economic systems. Discuss their comparative merits and demerits. **10**

OR

4. What is 'Mixed economy' ? State its main features with reference to India. **10**

5. (A) Multiple choice questions : **5**

(1) Prof. Robbins definition of Economics was based on the concept of :

(a) Wealth (b) Scarcity

(c) Welfare (d) Innovation

(2) Which of the following is not a scope of Economics ?

(a) Economics is an Art (b) Economics is a science

(c) Economics is about money (d) None of the above

- (3) Which of the following is an example of Real Income ?
- (a) Salary (b) Rent
(c) Return on Investment (d) Buying clothes with your salary
- (4) Which of the following best describes Accounting Profit ?
- (a) Total Revenue – Total Cost (including implicit costs)
(b) Total Revenue – (explicit + implicit costs)
(c) Total Revenue – Opportunity Cost
(d) Total Revenue – Explicit Cost
- (5) Which of the following is an example of Pure Interest ?
- (a) Payment made to a lender in return for the use of Capital(excluding risk and inflation).
(b) Total Interest paid by a borrower (with compensation for the risk).
(c) Total Interest paid by a borrower (with compensation for inconvenience).
(d) Total Interest paid by a borrower (with compensation for management).

5. (B) Fill in the blanks : (any **three**)

5

- (i) _____ stage with an era of machinery, scale production, and world-wide markets.
- (ii) _____ help in the development of the primary and secondary sectors.
- (iii) _____ the value of all final goods and services produced within a country during a particular year.
- (iv) Economic inequalities is an important feature of _____.
- (v) Social security and welfare is an essential feature of _____.
- _____