

Seat No. : _____

FD-108

February-2025

Integrated BBA LL.B., Sem.-I

IL BBA 104 : Principles of Economics-I (Micro)

Time : 2:30 Hours]

[Max. Marks : 70

1. Discuss the importance & limitations of Micro Economics. **18**

OR

1. (A) What do you mean by a capitalist economy ? Discuss the features of a capitalist economy. **10**

1. (B) Explain Robbin's scarcity-oriented definition of Economics. **8**

2. What is Utility ? Critically examine the law of diminishing marginal utility with the help of a diagram. **18**

OR

2. (A) What is demand ? What is law of demand ? Discuss the exceptions of law of demand. **10**

2. (B) Distinguish between increase & decrease in demand with the help of diagram. **8**

3. What is market and market structure ? Discuss the characteristics of a perfectly competitive market. **18**

OR

3. (A) What is rent ? Discuss the theory of rent. **10**

3. (B) Explain the characteristics of a monopoly market. **8**

4. (A) Short notes : (Any two) **10**

- (i) Determinants of demand
- (ii) Mixed economy
- (iii) Nominal wages and real wages
- (iv) Law of supply
- (v) Theory of profit

(B) Answer the following :

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- (1) According to Lionel Robbins, economics is the study of :
 - (a) Wealth
 - (b) Human behaviour as a relationship between ends and source means
 - (c) Welfare
 - (d) Resources distribution by the government
 - (2) The socialist economy is characterized by
 - (a) Ownership of resources by the government
 - (b) Ownership of resources by private sector
 - (c) Ownership of resources by private sector & government
 - (d) None of the above
 - (3) When the marginal utility of a good becomes zero, the total utility is :
 - (a) Decreasing
 - (b) Constant
 - (c) Maximum
 - (d) Negative
 - (4) Which of the following is NOT a determinant of demand ?
 - (a) Consumer income
 - (b) Price of related goods
 - (c) Quality of product
 - (d) Production cost
 - (5) Supply of a commodity means :
 - (a) Actual production
 - (b) Total stock
 - (c) Quantity sold
 - (d) Quantity offered for sale at a definite price per unit of time
 - (6) In which market, there are few sellers of a product ?
 - (a) Oligopoly
 - (b) Monopoly
 - (c) Perfect Competition
 - (d) Monopolistic Competition
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