

Seat No. : \_\_\_\_\_

**NG-111**

**November-2018**

**B.B.A., LL.B., Sem.-I**

**IL BBA 104 : Principles of Economics (Micro)**

**Time : 2:30 Hours]**

**[Max. Marks : 70**

1. Explain the definition of Economics based on concept of growth. Also, explain limitations of Micro Economics. **18**

**OR**

- (A) What is Free Market Economy ? Explain its characteristics in detail. **10**  
(B) Explain the phenomena of change in demand. **8**

2. (A) What do you mean by free goods and economic goods ? Explain in detail. **8**  
(B) Discuss the concept of 'Diminishing Marginal Utility'. **10**

**OR**

Discuss Law of Demand with assumptions and explain determinants of Law of Demand. **18**

3. Explain Marginal productivity theory of distribution with example. **18**

**OR**

- (A) Explain important features of Oligopoly. **10**  
(B) Discuss how demand and supply are determinants of price. **8**

4. (A) Short notes : (any **three**) **10**  
(1) Difference between Price and Value  
(2) Concept of Real Wage  
(3) Innovation theory of profit  
(4) Planned Economy  
(5) Consumer's Surplus

(B) Answer the following :

- (1) The subject matter of Economics as defined by Robbins is :
  - (a) Scarcity
  - (b) Wealth
  - (c) Economic growth
  - (d) None of these
- (2) An example of uninsurable risk is
  - (a) Fashion
  - (b) Accident
  - (c) Theft
  - (d) All of these
- (3) Giffen goods are
  - (a) Prestige goods
  - (b) Luxury goods
  - (c) Necessities
  - (d) Interior goods
- (4) Demand \_\_\_\_\_ when income increases.
- (5) \_\_\_\_\_ is the want satisfying power of a commodity.
- (6) If marginal utility is zero, then total utility is \_\_\_\_\_.

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