



16879



# BRAINWARE UNIVERSITY

Term End Examination 2025-2026

Programme – BBA LL.B.-2021

Course Name – Law and Economics

Course Code - BBALLB902A

( Semester IX )

Library  
Brainware University  
398, Ramkrishnapur Road, Barasat  
Kolkata, West Bengal-700125

Full Marks : 60

Time : 2:30 Hours

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

## Group-A

(Multiple Choice Type Question)

1 x 15=15

1. Choose the correct alternative from the following :

- (i) Choose the factor that will shift the demand curve to the right.
- |                           |                                     |
|---------------------------|-------------------------------------|
| a) Increase in income     | b) Decrease in price of complements |
| c) Decrease in population | d) Increase in supply               |
- (ii) Select the outcome when the price is set above the equilibrium price.
- |                     |                     |
|---------------------|---------------------|
| a) Shortage         | b) Surplus          |
| c) Demand increases | d) Supply decreases |
- (iii) Infer what happens to supply when the price of input decreases.
- |                            |                                |
|----------------------------|--------------------------------|
| a) Supply increases        | b) Supply decreases            |
| c) Supply remains constant | d) Supply is perfectly elastic |
- (iv) Recall the law of demand.
- |   |   |
|---|---|
| a) Quantity demanded falls as price falls | b) Quantity demanded rises as price rises |
| c) Quantity demanded falls as price rises | d) Quantity demanded remains constant     |
- (v) Choose the effect of a price ceiling below equilibrium price.
- |                     |                        |
|---------------------|------------------------|
| a) Surplus of goods | b) Shortage of goods   |
| c) Market clearing  | d) No impact on market |
- (vi) Select the factor that would cause a leftward shift in the supply curve.
- |                              |                                 |
|------------------------------|---------------------------------|
| a) Improvement in technology | b) Decrease in production costs |
| c) Natural disaster          | d) Increase in consumer income  |
- (vii) Infer the impact of an increase in demand on equilibrium price.
- |                            |                     |
|----------------------------|---------------------|
| a) Price decreases         | b) Price increases  |
| c) Price remains unchanged | d) Price fluctuates |
- (viii) Choose the correct definition of Cardinal Utility.
- |                                       |  |
|---------------------------------------|--|
| a) Utility measured in relative terms | b) Utility measured in monetary units    |
| c) Utility that cannot be quantified  | d) Utility based on consumer preferences |
- (ix) Select the correct interpretation of an indifference curve.

- a) Shows the consumer's budget constraint
- b) Shows all combinations of goods providing equal utility
- c) Represents a producer's choices
- d) Represents all market prices
- (x) Infer what happens when a consumer moves along an indifference curve.
  - a) The total utility remains constant
  - b) The budget increases
  - c) The marginal utility increases
  - d) The consumer's income increases
- (xi) Recall what the slope of the budget line represents.
  - a) Income of the consumer
  - b) Marginal rate of substitution
  - c) Opportunity cost of one good in terms of another
  - d) Price of the good
- (xii) Choose the correct representation of consumer equilibrium in the ordinal utility theory.
  - a) MRS equals the ratio of prices
  - b) Utility maximization is independent of income
  - c) Total utility is equal for all combinations
  - d) Budget constraint is not binding
- (xiii) Select the effect caused when a fall in price increases the purchasing power of a consumer.
  - a) Substitution effect
  - b) Income effect
  - c) Giffen effect
  - d) Price effect
- (xiv) Infer what happens to a consumer's choice when the price of a normal good increases.
  - a) Consumer will demand more
  - b) Consumer will demand less
  - c) No change in consumption
  - d) Consumer will substitute with a Giffen good
- (xv) Recall which theory suggests that consumers allocate their resources to maximize satisfaction.
  - a) Marginal utility theory
  - b) Ordinal utility theory
  - c) Law of diminishing returns
  - d) Theory of consumer equilibrium

**Group-B**

(Short Answer Type Questions)

3 x 5=15

- 2. Explain the significance of Per Capita Income. (3)
- 3. Explain the role of the government in National Income determination. (3)
- 4. Explain perfect competition. (3)
- 5. Interpret the characteristics of a monopoly. (3)
- 6. Evaluate the importance of economics in punishment of terrorists. (3)

OR

- Assess Optimal Criminal sanctions. (3)

**Group-C**

(Long Answer Type Questions)

5 x 6=30

- 7. Explain the Law of Diminishing Marginal Utility. (5)
- 8. Explain the concept of elasticity in relation to demand and supply. (5)
- 9. Evaluate the role of fiscal policy in Keynesian theory. (5)
- 10. Explain the fundamental definition of a contract, and differentiate it from other forms of agreements. (5)
- 11. Analyze the concept of a void contract with the help of an example and differentiate it from a voidable contract. (5)
- 12. Explain the importance of National Income. (5)

OR

- Compare between Gross Domestic Product (GDP) and Gross National Income (GNI). (5)

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