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Barasat, Kolkata- 700125

BRAINWARE UNIVERSITY

Term End Examination 2024-2025
Programme – BBA LL.B.-2020
Course Name – Law and Economics
Course Code - BBALLB902A
(Semester IX)

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) Rephrase the law of supply in simple terms.
- | | |
|--------------------------------------|--|
| a) As price rises, supply increases | b) As price rises, supply decreases |
| c) As demand falls, supply increases | d) As price remains the same, supply increases |
- (iii) How does an increase in consumer income affect the demand for normal goods?
- | | |
|---------------------|---------------------|
| a) Increases demand | b) Decreases demand |
| c) Has no effect | d) Increases supply |
- (iv) Choose the characteristic of perfect competition.
- | | |
|------------------------|----------------------------|
| a) Few buyers | b) Product differentiation |
| c) Free entry and exit | d) Collusion between firms |
- (v) Infer the reason for a firm's shutdown in the short run.
- | | |
|------------------------------------|--|
| a) Losses exceed fixed costs | b) Marginal cost equals marginal revenue |
| c) Total revenue equals total cost | d) Total revenue exceeds total cost |
- (vi) Relate the concept of economies of scale to a firm's production.
- | | |
|---------------------------------------|---------------------------------------|
| a) Costs decrease as output increases | b) Costs increase as output increases |
| c) Revenue increases with output | d) Fixed costs become variable |
- (vii) Infer what GDP represents in the context of National Income.
- | | |
|-----------------------------------|------------------------------|
| a) Total capital of a country | b) Net exports |
| c) Gross production in an economy | d) Total foreign investments |
- (viii) Outline the method used to calculate National Income through expenditure.

- a) Total investment + savings
 c) Savings + investment
- (ix) Relate the concept of Per Capita Income to National Income.
- a) Per capita income = total GDP
 c) Per capita income = total exports ÷ population
- (x) Infer the primary reason for enforcing contracts in economics.
- a) To ensure fairness
 c) To promote efficiency
- (xi) Outline the elements necessary for a valid contract.
- a) Offer, acceptance, capacity, legality
 c) Supply, demand, price, elasticity
- (xii) Relate the concept of Efficient breach to economic outcomes.
- a) It enhances welfare
 c) It reduces competition
- (xiii) Select the key element that influences the economic analysis of torts.
- a) Intent
 c) Efficiency
- (xiv) Infer the effect of tort liability on economic behavior.
- a) Increases risk-taking
 c) Encourages negligence
- (xv) Rephrase the term strict liability in economic analysis.
- a) Liability without fault
 c) Limited liability
- b) Consumption + investment + government expenditure + net exports
 d) Tax revenues + expenditure
- b) Per capita income = national income ÷ population
 d) Per capita income = foreign aid ÷ population
- b) To protect investments
 d) To reduce disputes
- b) Profit, loss, competition, market
 d) Revenue, expense, capital, interest
- b) It creates market power
 d) It leads to monopoly
- b) Negligence
 d) Fault
- b) Deters harmful behavior
 d) Decreases compensation claims
- b) Liability with intent
 d) Joint liability

Group-B

(Short Answer Type Questions)

3 x 5=15

2. Define the law of demand and the law of supply. (3)
3. Illustrate National Income. (3)
4. Explain the objective of a firm. (3)
5. Illustrate the economic function of contract laws. (3)
6. Perceive the economics of organised crime. (3)

OR

Interpret the process of computing of damages and compensations. (3)

Group-C

(Long Answer Type Questions)

5 x 6=30

7. Explain the concept of demand in economics, and state the factors to determine it. (5)
8. Illustrate the concept of market structures and provide an overview of the four primary market structures: perfect competition, monopolistic competition, oligopoly, and monopoly. (5)
9. Explain the importance of National Income. (5)
10. Evaluate the concept of anticipatory breach of contract, and how it affects the rights and obligations of the parties involved. (5)
11. Compare the concept of Remoteness of damages in tort law. (5)

12. Evaluate the concept of a unilateral contract, and provide an example. (5)

OR

Evaluate the economic functions of contract laws. (5)

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