

Course	: PGDBA	Date	: 26-Feb-2026
Subject Code	: PGDBA-102	Time	: 11:30am to 01:45pm
Subject Name	: ECONOMICS ENVIRONMENT FOR BUSINESS	Duration	: 02.15 Hours
		Max. Marks	: 70

Answer the following (Attempt any three) (30)

- Answer the following (Attempt any four) (20)**

- Part – A (Multiple Choice Questions) (10)**

- 1 According to _____ economics is a human science.

A Marshal	B Robbins
C Adam	D None of the above
- 2 That much quantity of commodity which a producer or seller is willing and able to sell at given price level is called _____

A Supply	B Demand
C Law of supply	D Law of demand
- 3 The solution to the consumer's problem, which explains how much the consumer will consume a number of goods and services, is referred to as

A Consumer equilibrium	B Indifference curve
C Law of demand	D None of them
- 4 _____ is basically an activity of transformation, which converts factor Inputs into outputs.

A Production	B Inputs
C Outputs	D Supply

- 5 According to _____, the indifference curve analysis does not convey anything new regarding the theory of demand
 A Adam smith B Professor D.H. Robertson
 C Dr. Alfred Marshal D Robert
- 6 _____ is the process of modeling the strategic interaction between two or more players.
 A Game theory B Production theory
 C Management theory D Economic theory
- 7 _____ is a market situation in which a few firms producing an identical product or the products which are close substitutes to each other, compete with each other.
 A Monopoly B Oligopoly
 C Monopolistic D None
- 8 In simple terms, _____ is a payment / remuneration for work done.
 A Wage B Salary
 C Rent D Fund
- 9 _____ strongly criticised the Keynesian theory of interest
 A Adam smith B Professor Hazlitt
 C Keynes D Alfred marshal
- 10 _____ define profit as "what remains of the firm's revenue after all inputs have been paid"
 A Adam smith B Hazlitt
 C Professor Savage and Small D None

Part – B (True or False)

(10)

State whether the statements are true or false.

- 1 The Economic problem lies in making the best use of our resources.
- 2 The market system is governed by what Adam Smith called unemployment.
- 3 Money is what money does has been said by Prof. Walker.
- 4 If demand of a commodity is elastic or highly elastic the finance minister Will be able to impose too much tax on that commodity.
- 5 Return to a variable factor operates in Long run.
- 6 Complementary goods the consumer tends to buy less of them, after a point, even if their prices fall.
- 7 High level of taxes on semi-luxury and luxury goods such as electrical Appliances, refrigerators, air-conditioners etc. would Depress the demand for these goods.
- 8 Monopolistic is a compromise between perfect competition and Monopoly.
- 9 The residual claimant theory replaced the wages fund theory.
- 10 Adam regards profit as rent of ability.
