



**Institute of Management
JK Lakshmipat University
Jaipur**

END TERM EXAMINATION, Dec. 2023

**BBA- Sem. I
MM: 40 Marks**

**Course: Economics-I
Time: 2 Hours
Subject code: EP1101**

Instructions:

- 1) Write your roll no. on question paper
- 2) Attempt any three questions from Q. No. 1 to Q. No. 4 and Q. No. 5 is compulsory.

**Q1. How would you explain and graphically illustrate the following: (5*2 Marks)
LO 4**

- a) Total Fixed Cost and Total Variable Cost and, significance of the difference between these two in business decision process.
- b) Average Cost and Marginal Cost and, the relationship between these two.

**Q2. Discuss the following: (5*2 Marks)
LO 2,4,6**

- a) Explain the nature of goods based on the relationship between income and quantity demanded of a good.

OR

Graphically present the profit, normal profit and loss situation in the price and output determination of a firm in the perfect competition market.

- b) Differentiate between the short run and long run production functions. Discuss the reasons of various stages of production in short run.

**Q3. Discuss the price elasticity and its various degrees. Illustrate significance of price elasticity by using its various application. (5*2 Marks)
LO 3**

**Q4. Identify the type of market based on following product category and explaining each of the market features by using the given product: (10 Marks)
LO 6**

- a) Chocolate
- b) Silver

c) Mobile

d) Indian Postal Service

- Q5.** a) Calculate the BEP for the firm at the profit of INR 20,000 based on the following information:

**(5*2
Marks)
LO 3,4**

Fixed Cost = INR 10,000

Total Variable Cost (TVC) = INR 2,000

Output Units = 100

Price = 60

- b) In the following demand schedule, calculate the elasticity of demand with INR 4 as the initial price (once by increasing and decreasing the price)

Quantity Demanded (units)	Price per unit (INR)
15	3
12	4
9	5