



Institute of Management
JK Lakshmipat University
Jaipur

END TERM EXAMINATION, 2015



B. Com- Sem I
MM: 50 Marks

Course: Economics- I
Time: 3 Hours
Subject code: BCH 105

Instructions: Attempt any three questions from Section A. Section B is compulsory.

Section A

Q1. Discuss the following:

- a) Explain Consumer equilibrium in Indifference Curve Technique
- b) The differences between Isoquant and Indifference Curve

(10 marks)

Q2. Discuss the relationship among all the short run cost concepts and illustrate graphically. Discuss the reasons of 'U' shape of Average Cost Curve in Short Run.

(10 marks)

Q3. What is the difference between Law of Demand and Elasticity of Demand? Discuss the various methods of measuring the price elasticity of demand.

(10 marks)

Q4. Explain the difference between Law of Returns to Scale and Law of Returns to a Factor. Discuss the increasing, decreasing and constant Law of Returns to Scale? How do they arise?

(10 marks)

Q5. Discuss the following:

- a) Difference between Direct Cost and Indirect Cost
- b) Define shut down point of the business
- c) Difference between Private and Social Cost
- d) Difference between contraction of demand and decrease in demand

(10 marks)

Section B

Q6.

A) Discuss the following with suitable examples;

1. Features of Oligopoly
2. Price and output determination under Perfect Competition
3. Product Differentiation in Monopolistic
4. Sources of Monopoly

(10 marks)

B) A small firm incurs fixed expenses amounting to Rs. 12,000. Its variable cost of product X is Rs. 5 per unit. Its selling price is Rs. 8. Determine its break- even quantity (BEQ) and determine the output level, that generate a total profit of Rs. 9,000.

(10 marks)