



**Institute of Management
JK Lakshmipat University
Jaipur**

END TERM EXAMINATION, Dec. 2022

**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 define production function? Describe and illustrate the Law of Variable Proportion, its various stages of production and the reasons for their application. **(10 Marks)**
LO 4

Q2. Given the following total cost schedule of a firm: **(5*2 Marks)**
LO 4,5

- a) Derive the total fixed cost and total variable cost schedule of the firm, and from them derive the average total cost and marginal cost schedule of the firm.
- b) Discuss the difference between TFC and TVC and its use in various business decisions?

Q	0	1	2	3	4	5
TC	30	50	60	81	118	190

Q3. How would you explain and illustrate the following : **(2*5 Marks)**
LO 2, 4

- a) Breakeven point and its importance in business decisions
- b) Change in Equilibrium Price and Quantity when relatively more increase in Demand than decrease in the Supply.
- c) Relationship between AC and MC curve.
- d) Social Cost and Sunk Cost
- e) Fixed Cost and Variable Cost

- Q4.** Can you list five applications of the Law of Diminishing Marginal Utility and elasticity of demand in our day-to-day life? **(10 Marks)**
LO 1,2,3

OR

Discuss the various determinants of demand and supply for a pizza.
Are there any exceptions to Law of Demand and Law of Supply?

- Q5.** a) List the features and make a distinction between Perfect competition and Monopoly market by using appropriate examples? **(5*2 Marks)**
LO 6
- b) Discuss the Sweezy's Model of the Kinked Demand Curve of an Oligopoly Market.