



**Institute of Management
JK LakshmiPat University
Jaipur**

END TERM EXAMINATION, Jan. 2021

BBA- Sem. I
MM: 40 Marks

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

Q1. Can you graphically present the impact of the following events on the shifting of the Demand and Supply Curve and, its impact on Equilibrium Quantity and Equilibrium Price?

- a) Income of the Consumer Increases
- b) Prices of Inputs of production Increases
- c) Demonstration effect increases in society
- d) Use of more advanced technology in production

(2*4 marks)

Q2. a) How would you measure the price elasticity through Point Method?

b) How can you show the application of price elasticity in the following decision-making processes?

- i) In price determination of a product or a service
- ii) Deciding the service under public utilities
- iii) Decision of Finance Minister while imposing taxes

(2*4 marks)

Q3. a) How would you illustrate graphically the TFC and TVC and the use of these two in various business decisions?

b) How would you illustrate Economic Cost, Sunk Cost & Social Cost?

(3+3 marks)

Q4. a) How would you calculate breakeven quantity if fixed expenses are INR 95,000 to produce commodity X. Its variable cost is INR 15 per unit. The prevailing market price of the product is INR 20?

b) How would you illustrate the Law of Variable Proportion and the reasons for its application?

(6 marks)

Q5. How would you apply your learnings to illustrate the following?

- a) The Sweezy's Model of Kinked Demand Curve of Oligopoly Market
- b) Features of Monopolistic Market
- c) Price and output determination in Perfect Competition
- d) Various sources of Monopoly

(3*4 marks)