

Name:

Enrolment No:

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, Jan, 2021 (ONLINE MODE)**

**Course: BBA**  
**Program: DM**  
**Course Code: ECON 1001**

**Semester: I**  
**Time : 3 Hours**  
**Max. Marks: 100**

**Instructions:** Attempt All Questions. **Section A** (each carrying 5 marks); **Section B** (each carrying 10 marks). **Section C** (carrying 20 marks)

**SECTION A**

S. No.	True or False	Marks	CO
Q1	Demand for a product is not affected by its price	5	1
Q2	A Veblen good is a good for which demand increases as the price increases	5	1
Q3	In perfect competition there are small number of sellers	5	1
Q4	A market is any place where two or more parties can meet to engage in an economic transaction	5	1
Q5	A 10 percent increase in income has caused a 5 percent decrease in the quantity demanded. The income elasticity is 2.0	5	2
Q6	Marginal cost of production is the change in total production cost that comes from making or producing one additional unit	5	2

**SECTION B**

S. No.		Marks	CO
Q1	Explain the concept of Economic Equilibrium citing examples	10	3
Q2	Explain the concept of marginal propensity to consume and autonomous consumption.	10	3
Q3	Explain the Law of Diminishing Marginal Utility with the help of a diagram. What is the difference between total utility and marginal utility?	10	3
Q4	Explain Perfect completion. How is it different from Monopolistic Competition?	10	3
Q5	Explain "Price Elasticity of Demand. Elaborate on the importance of understanding Price Elasticity of Demand.	10	4

**SECTION C**

S. No.		Marks	CO
Q1	<p>Define carefully what is meant by a demand schedule or curve. State the law of downward sloping demand. Illustrate the law of downward sloping demand with two cases from your own experience.</p> <p>Define the concept of a supply schedule or curve. Show that an increase in supply means a rightward and downward shifts of the supply curve.</p>	<b>20</b>	<b>4</b>