



End Term (Odd) Semester Examination November 2025

Roll no.....

Name of the Course and semester: BBA & 1

Name of the Paper: Business Economics

Paper Code: BBA 104

Time: 3-hour

Maximum Marks: 100

Note:

- (i) All the questions are compulsory.
- (ii) Answer any two sub questions from a, b and c in each main question.
- (iii) Total marks for each question is 20 (twenty).
- (iv) Each sub-question carries 10 marks.

Q1.

(2X10=20 Marks)

a. Define Business Economics and explain its scope and significance in managerial decision-making.

CO1

b. Differentiate between Microeconomics and Macroeconomics with suitable examples highlighting their relevance to business decisions.

CO1

c. Discuss the key assumptions of the Law of Diminishing Marginal Utility and evaluate its practical importance in consumer demand analysis.

CO1

Q2.

(2X10=20 Marks)

a. Explain and calculate Price Elasticity of Demand and Income Elasticity of Demand and Degrees of Price Elasticity of Demand.

CO2

b. Illustrate the relationship among Total Cost, Average Cost, and Marginal Cost using suitable examples and graphical representation.

CO2

c. Justify the statement "Money is worth more now than at a future date based on its earning potential" in the context of business investment decisions and how can we increase the value of money in the future.

CO2

Q3.

(2X10=20 Marks)

a. Examine the concept of the Production Function and demonstrate how the Cobb-Douglas Production Function helps analyse the role of fixed and variable factors in production.

CO3

b. Analyze the Law of Variable Proportion and describe its three stages with examples. Also, differentiate between the short run and long run with respect to this law.

CO3

c. Explain and evaluate the Law of Returns to Scale with examples, and discuss its managerial significance in long-run production planning.

CO3



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Q4.

(2X10=20 Marks)

- a. Assess the impact of Economies of Scale and Diseconomies of Scale on business expansion and evaluate how firms can achieve optimal size with suitable example or case study.

CO4

- b. Identify and analyze the type of market structure where a few interdependent firms dominate the industry, and discuss its key features with examples.

CO4

- c. Evaluate the importance of Price and Output Determination in different market structures like perfect competition and monopoly.

CO4

Q5.

(2X10=20 Marks)

- a. Compare and contrast the Cardinal and Ordinal approaches to utility analysis, and develop a practical example showing how each concept can be applied to consumer decision-making.

CO5

- b. Examine and interpret the different types of costs and cost function also evaluate their relevance in managerial decision-making.

- c. Identify and discuss law of Demand and its major exceptions to the Law of Demand, supporting each with suitable real-life examples

CO5