



**PRACTICE SET**  
**End Semester Examination, December, 2025**

**Program: BBA**

**Semester: I**

**Subject: Business Economics**

**Subject Code: 11CC103**

**Course Learning Objective:**

**CLO 1:** To provide an understanding of the nature, scope, and significance of Business Economics and its distinction from general Economics for managerial decision-making

**CLO 2:** To develop the ability to apply utility analysis and demand theories in evaluating consumer behavior and demand responsiveness.

**CLO 3:** To build competence in interpreting production and cost functions and in applying economic principles for price and output decisions under various market structures.

**CLO 4:** To enhance the capability to analyze key macroeconomic indicators and assess their impact on the business environment.

**Course Outcome:**

On completion of the Course, the students will be able to:

**CO1.** To understand and explain the nature, scope, and role of Business Economics in managerial decision-making.

**CO2.** To analyze consumer behavior using utility analysis and demand theories, and evaluate the responsiveness of demand through elasticity concepts.

**CO3.** To apply production and cost theories to assess firm-level output decisions under different market structures.

**CO4.** To interpret key macroeconomic indicators like GDP, GNP, and national income aggregates to understand their impact on the business environment

## SECTION – A

### Question for Five (5) marks:

- 1) Explain the nature and characteristics of Business Economics.(CO1,Unit-1,BTL-LOT,Understand)
- 2) Discuss how Business Economics helps in managerial decision-making.(CO1,Unit-1,BTL-LOT,Understand)
- 3) Explain the relevance of Kautilya's *Arthashastra* to modern Business Economics.(CO1,Unit1,BTL-LOT,Understand)
- 4) Explain how Microeconomics assists managers in optimizing production and profits.(CO1,Unit-1,BTL-LOT,Understand)
- 5) Describe the interdisciplinary nature of Business Economics.(CO1,Unit-1,BTL-LOT,Remember)
- 6) State the **Law of Diminishing Marginal Utility (DMU)**. (CO2,Unit-2,BTL-LOT,Remember)
- 7) Illustrate the **Law of DMU** with an example or diagram. (CO2,Unit-2,BTL-LOT,Apply)
- 8) Explain the **concept and factors** of Elasticity of Demand. (CO2,Unit-2,BTL-LOT,Understand)
- 9) Explain the **relationship between Total Utility and Marginal Utility**.(CO2,Unit-2,BTL-LOT,Understand)
- 10) State the **Law of Demand**. What are the **essential elements of demand**?(CO2,Unit-2,BTL-LOT,Remember)
- 11) State the **concept of production** and its importance in business.(CO3,Unit-3,BTL-LOT,Remember)
- 12) Define **Organization** and why is it important in production?(CO3,Unit-3,BTL-LOT,Remember)
- 13) Explain **factors of production** and **Production Function**?(CO3,Unit-3,BTL-LOT,Understand)
- 14) Illustrate the **Law of Variable Proportions** with a diagram.(CO3,Unit-3,BTL-LOT,Apply)
- 15) Compare **Short Run and Long Run production functions**.(CO3,Unit-3,BTL-LOT,Understand)
- 16) Define **Gross Domestic Product (GDP)**. What are the **main components of GDP**?(CO4,Unit-4,BTL-LOT,Remember)
- 17) Compare between **GDP and GNP**.(CO4,Unit-4,BTL-LOT,Understand)
- 18) Define **Personal Income (PI)**. What are the **components** of Personal Income?(CO4,Unit-4,BTL-LOT,Remember)
- 19) Explain the **difference** between Real and Nominal GDP with example.(CO4,Unit-4,BTL-LOT,Understand)
- 20) Explain why **GDP can be treated both as income and expenditure**.(CO4,Unit-4,BTL-LOT,Understand)

## Section – B

### Question for ten (10) marks:

21) Explain the **contribution and application** of Business Economics to business management.(CO1,Unit-1,BTL-LOT,Understand)

**22) Analyze** how Business Economics acts as a **bridge between economics and management**.(CO1,Unit-1BTL-HOT,Analyse)

23) Explain the **scope of Business Economics** with suitable examples.(CO1,Unit-1,BTL-LOT,Understand)

24) Explain the **difference between movement along and shift in the demand curve** with diagrams.(C02,Unit-2,BTL-LOT,Understand)

25)Define:

a)Marginal-Utility

b)Total-Utility

c) Consumer Surplus(CO2,Unit-2,BTL-LOT,Remember)

**26) Analyze** how factors such as the **nature of goods, availability of substitutes, and time period** affect the **elasticity of demand** for a product.(CO2,Unit-2,BTL-HOT,Analyse)

27) Differentiate between **Fixed Factors** and **Variable Factors** of production.(CO3,Unit-3,BTL-HOT,Analyse)

28) Define **Production** and explain its **meaning and scope**. Explain the **concept of Production Function** (CO3,Unit-3,BTL-LOT,Remember)

29) **Evaluate** how the **production function** helps business firms in optimizing resource allocation.(CO3,Unit-3,BTL-HOT,Evaluate)

30) Explain the meaning of **Consumption, Investment, Government Purchases, and Net Exports** as components of GDP(CO4,Unit-4,BTL-LOT,Understand)

**31) Evaluate** the importance of **accurate GDP measurement** for policy-making and budgeting.(CO4,Unit-4,BTL-HOT,Evaluate)

32) Define **Net National Product (NNP)** and explain how it is derived from GNP.(CO4,Unit-4,BTL-LOT,Remember)

### Section C

**Question for Twenty (20) marks:**

33) Evaluate the statement: “*Business Economics is both an art and a science.*”(CO1, Unit-1,BTL-HOT,Evaluate)

34) Evaluate how Kautilya’s ideas of **strategic resource management** can guide today’s **economic planning and business strategy** (CO1, Unit-1,BTL-HOT,Evaluate)

35) Evaluate how the **Law of Demand** reflects the inverse relationship between price and quantity demanded.(CO2,Unit-2,BTL-HOT,Evaluate)

36) Analyze how **elasticity of demand** influences **pricing decisions and revenue** for business firms.( CO2,Unit-2,BTL-HOT,Analyse)

37) Explain how changes in **scale of production** affect the **returns and efficiency** of a firm.(CO3,Unit-3,BTL-HOT,Analyse)

38) Evaluate the significance of the **Law of Diminishing Returns** in production planning.(CO3,Unit-3,BTL-HOT,Evaluate)

39) Compare and contrast **GDP and GNP**, explaining their relevance in measuring national income.(CO4,Unit-4,BTL-HOT,Analyse)

40) Evaluate how **depreciation and indirect taxes** affect the measurement of **Net National Product (NNP)**.(CO4,Unit-4,BTL-HOT,Evaluate)

**Summary:**

**CO Wise:**

CO	Ques. No	Marks
CO1	1,2,3,4,5,21,22,23,33,34	95
CO2	6,7,8,9,10,24, 25,26,35,36	95
CO3	11,12,13,14,15,27,28,29,37,38	95
CO4	16,17,18,19,20,30,31,32,39,40	95

**Unit Wise:**

<b>Unit</b>	<b>Ques No</b>	<b>Marks</b>
I	1,2,3,4,5,21,22,23,33,34	95
II	6,7,8,9,10,24, 25,26,35,36	95
III	11,12,13,14,15,27,28,29,37,38	95
IV	16,17,18,19,20,30,31,32,39,40	95

**Blooms Taxonomy Level (BTL) Wise**

<b>BTL</b>	<b>Ques No</b>	<b>Marks</b>
LOT	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21, 23,24,25, ,28,30,32	170
HOT	22,26,27,29,31, 33,34,35,36,37,38,39,40	210

**Prepared By: Dr. Shilpi Bose**

**Disclaimer:** - This is a Practice Set. The Question in End term examination will differ from the Practice set. This Practice set is meant for practice only.