

Department of Management
School of Management and Business Studies
Jamia Hamdard
ODD Semester Examination – December 2025
B.B.A. Semester I

Subject Name: Business Economics

Subject Code: BBA-DC-03

*Attempt both sections as per instructions.

Max. Marks: 60

Time: 2.5 Hours

Section A - Short Answer: Attempt any Six, each question carries equal marks (6 x 4 = 24)

- Q1. Explain the concept of *Giffen goods* and *Veblen goods* as exceptions to the law of demand with suitable examples.
- Q2. Define *explicit cost* and *implicit cost*. Illustrate with an example how both influence managerial decisions.
- Q3. Explain two methods of demand forecasting in brief.
- Q4. Differentiate between change in quantity demanded vs. shift in demand? Provide examples from real business scenarios.
- Q5. Differentiate between monopolistic competition and oligopoly.
- Q6. Why is a firm operating under a monopoly considered a *price-maker*? Explain with a suitable example.
- Q7. What do you mean by returns to scale?
- Q8. Explain briefly how Business Economics supports managerial decision making in marketing and finance.
- Q9. Differentiate between the iso-quant and iso-cost curves.

Section B – Long Answer Questions

(3 × 12 = 36)

Note: Attempt any three questions. All questions carry equal marks.

- Q1. Discuss the importance of Business Economics in modern business decision-making. Provide suitable examples from the service and manufacturing sectors.
- Q2. Explain income elasticity, cross elasticity, and price elasticity of demand.
- Q3. Describe the features of perfect competition. Using a well-labelled diagram, explain how the optimum price and output level are determined.
- Q4. Discuss the relationship between TC, AC and MC? Also draw schedules and diagrams?
- Q5. Elucidate the law of variable proportions using a suitable graph. Why is the second stage the most appropriate stage for the producer?
- Q6. Write short notes on any three:

- (a) Economies of scale
- (b) Kinked demand curve
- (c) Opportunity cost
- (d) Marginal Productivity