K. K. Wagh Institute of Engineering Education & Research, Nashik

(An Autonomous Institute From A.Y. 2022-23)

InSem Examination-I Winter2025	
Exam Seat No.:	
Academic Year:2025-2026	Semester:I
Class:PG-I	Program:MBA
Branch Code:10	Pattern:2024
Name of Course:Business Economics	Course Code:2410505
Max. Marks:30	Duration:1.15 Hrs.

Instructions: Candidates should read carefully the instructions printed on the Question Paper and on the cover page of the Answer Book, which is provided for their use.

1. This question paper contains 2 page(s).
2. Answer to each new question is to be started on a new page.
3. Assume suitable data wherever required, but justify it.
4. Draw the neat labelled diagrams, wherever necessary.
5. The last columns indicates the Course Outcome and level of Blooms Taxonomy of the Question/sub-question.
6. Q1 and Q3 are compulsory. Solve any one from A or B for Q2 and Q4

		Marks	CO
Question No. 1			
1 a)	Define Business Economics. Explain its significance in managerial decision-making.	(3)	CO 1
1 b)	Explain the nature and scope of Business Economics.	(4)	CO 1
Question No. 2			
2 a)	Explain how Business Economics is related to other functional areas.	(8)	CO 1
	OR		
2 b)	Explain the role of Business Economics in modern business organizations.	(8)	CO 1
Question No. 3			
3 a)	List and explain any three determinants of demand	(3)	CO 2
3 b)	Explain the concept and types of Elasticity of Demand.	(4)	CO 2
Question No. 4			
4 a)	Calculate the Price Elasticity, Income Elasticity, Advertising Elasticity, Complementary and Supplementary price elasticity When demand function is D = 1 – 2 Px + 3I + 1.5 Ps – 2.5 Pc + 1A Also find out current year demand if Px = 1, I = 3, Ps = 2, Pc = 1 and A = 1 Where, Px = Price of Coffee D = Demand of Tea I = Income Ps = Price of Tea Pc = Price of Milk A = Advertising Cost	(8)	CO 2
	OR		

4 b) Calculate the Price Elasticity, Income Elasticity, Advertising Elasticity, Complementary and Supplementary price elasticity for below demand function. (8) CO 2

D = 3 – 1 Px + 2I + 1.5 Ps – 2 Pc + 2A
Also find out current year demand if
Px = 2, I = 1, Ps = 1.5, Pc = 2 and A = 2
Where,
D = Demand of fan
Px = Price of Fan
I = Income
Ps = Price of AC
Pc = Price of Capacitor
A = Advertising Cost

····· End of question paper·····