



Chhatrapati Shahu Ji Maharaj
University, Kanpur

Answer Script Details
Barcode 7493424

Roll No. 23070002068
Total Mark 34/37.50

Exam BACHELOR OF BUSINESS ADMINISTRATION_DEC-202
Subject F010101TA - BUSINESS ECONIMICS

Question wise Mark Summary

Q.No Mark Q.No Mark Q.No Mark Q.No Mark

1A 5/6

1B NA/6

1C NA/6

1D NA/6

1E NA/6

1F 5/6

1G NA/6

2 NA/12

3 12/12

4 NA/12

5 12/12

Chhatrapati Shahu Ji Maharaj University Kanpur, Uttar Pradesh

Date of Exam: 13/01/24 Shift: I Room No. 61-06
 Paper Code: FO1010101T Subject: Business Economics Year/Sem: I
 Name of Candidate: Priyanshu Singh
 Roll No. 23070002069

Signature of Candidate: *Priyanshu* COE Facsimile
 Signature of Investigator: *[Signature]*
 COE Facsimile: *[Signature]*

PART-II

MARKS OBTAINED										
Q.	1	2	3	4	5	6	7	8	9	10
(a)										
(b)										
(c)										
(d)										
(e)										
(f)										
(g)										
(h)										
(i)										
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Total										
Total Marks in Figures										Max. Marks
Total Marks in Words										


 FO1010101T (A)
 Paper Code

 Signature of Evaluator

Course: BBA
 Session: 2023-24 Year/Semester: I
 Subject Name: Business Economics
 Medium: English Hindi
 Paper Code: FO1010101T (A)
 Exam Date: 13/01/2024
 Name of Candidate: PRIYANSHU SINGH
 Father's Name: RASHOK SINGH

कॉलेज कोड
College Code

K N 1 6 2

A	A	0	0	0
E	B	1	1	1
F	D	2	2	2
H	J	3	3	3
K	K	4	4	4
L	L	5	5	5
R	M	6	6	6
S	7	7	7	7
U	T	8	8	8
U	9	9	9	9
W				

एग्जाम सेंटर कोड
Exam Centre Code

K N 1 6 2

A	A	0	0	0
E	B	1	1	1
F	D	2	2	2
H	J	3	3	3
K	K	4	4	4
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R	M	6	6	6
S	7	7	7	7
U	T	8	8	8
U	9	9	9	9
W				

प्रश्न पत्र का प्रकार
Type of Exam

Regular
 Private
 En-Student
 Back Paper Exam

ANSWER BOOKLET NO.

7493424

FO1010101T (A)
Paper Code





Enrollment Number: C S J M A 2 3 0 0 0 1 2 5 8 2 7
 Candidate's Roll Number: 23070002069

23070002069

0	0	0	0	0	0	0	0	0	0
1	1	1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3	3	3
4	4	4	4	4	4	4	4	4	4
5	5	5	5	5	5	5	5	5	5
6	6	6	6	6	6	6	6	6	6
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9	9	9	9	9	9	9	9	9	9

FO1010101T

A	0	0	0	0	N
B	1	1	1	1	P
C	2	2	2	2	R
E	3	3	3	3	3
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6	6	6	6	6	6
7	7	7	7	7	7
8	8	8	8	8	8
9	9	9	9	9	9

Signature of Candidate: *Priyanshu*
 Signature of Investigator: *[Signature]*
 C S Facsimile: *[Signature]*
 COE Facsimile: *[Signature]*

नोट - 1. परीक्षार्थी को निर्दिष्ट किया जाता है कि आवरण पत्रों को पृष्ठ भाग पर अंकित सभी निर्देशों को सावधानीपूर्वक पढ़ें।
 2. पत्रों में भरी जाने वाली प्रतिक्रियाएँ सभी तारकों से जुक्त की जाएँ। 3. पत्रों को खोलने या पीले प्रयोगों से बचा जाएँ।

INSTRUCTION TO THE CANDIDATE FOR FILLING PART-I

1. Read the instructions carefully given on the answer script and admit card.
2. Write Date of Exam, Shift, Paper Code & Name of Subject Correctly.
3. Write Name & Roll No. Correctly.
4. Write Semester & Branch Correctly.

INSTRUCTION TO THE CANDIDATE FOR FILLING PART-III

1. Use blue or black ball point pen for writing alphabets & numerals in boxes.
2. Carefully study the example before you start marking.
3. As shown in the example below, blacken the circles completely.



4. Make no Stray marks on this sheet.

5. DO NOT WRITE OR MARK ON THE BAR CODE.

IN ORDER TO AVOID UFM (UNFAIR MEANS) :

1. The Roll No. and Answer Book no. found elsewhere or any other symbol found in the answer book will be treated as unfair means.
2. Any tempering of Bar Code and Booklet no shall be treated as Unfair Means.
3. Do Not bring the materials like slip of paper/mobile/digital diaries/ study material/ revision notes in examination hall. Possession of the mobiles/ digital diaries/electronic/digital watch and any other electronic gadget except memory less scientific calculator shall be considered as UFM case.
4. Do not keep or paste currency note in answer script it shall be consider as UFM.

अनुचित साधन से बचने हेतु :

1. उत्तर पुस्तिका के निर्दिष्ट स्थान को ज़ेडकर अनुक्रमांक एवं उत्तरपुस्तिका का क्रमांक कभी और न लिखें तथा कोई भी चिन्ह न बनायें क्योंकि यह अनुचित साधन प्रयोग की शक्ति से आता है।
2. उत्तर पुस्तिका के बाहरीकव आवरण उत्तर पुस्तिका संख्या पर जेब चिप करने पर अनुचित साधन प्रयोग माना जायेगा।
3. परीक्षा कक्ष में निम्न वस्तुएँ साथ न लायें, जैसे लिखे हुए सारांश के टुकड़े, मोबाइल, डिजिटल डायरी, डिजिटल वॉच, काँची, पुराने पत्र सभी वस्तुएँ जो अनुचित साधन की अन्तर्गत आती हैं। कोकल संशोधन प्रणालय में ही वेबोरी मेस मॉडरनिज्ड कंप्यूटरीसा के जाने की अनुमति है।
4. उत्तर पुस्तिकाओं में कल्पे न लखें न ही उत्तर पुस्तिका में विकारवादी देना करना अनुचित साधन प्रयोग की शक्ति से आता है।

उत्तरपुस्तिकाओं में लिखने की शक्ति

1. प्रश्न पत्र एवं उत्तरपुस्तिका पर दिखे गये निर्देशों को ध्यान से पढ़ें।
2. कक्ष में प्रश्न पत्र के दूसरी तरफ कुछ न लिखें।
3. उत्तरपुस्तिका के पृष्ठों पर दोनो तरफ लिखें।
4. प्रश्न पत्र पर अपने अनुक्रमांक को अतिरिक्त कुछ न लिखें।
5. प्रश्न पत्र कोड एवं प्रश्न पत्र ID साफ़तानी पूर्वक लिखें।
6. अपनी विधिति स्पष्ट लिखें।
7. उत्तरपुस्तिका के पृष्ठों की संख्या देखें। अगर उत्तरपुस्तिका में पृष्ठ (1-24) से कम है या कटे हुए हैं, तो पठित शुरू होने के पूर्व दूसरी उत्तरपुस्तिका ले लें।
8. प्रश्नपत्र को देख, यदि प्रश्नपत्र में किरा कोड, विषय का नाम तथा प्रश्न नं कोड टुटि है तो उसके पीछे पृष्ठ होने के 30 मिनट के अन्दर तक निरीक्षक को तालकल सूचित करें, उसके बाद विद्यार्थीसमय द्वारा कोई कार्य नहीं की जायेगी।
9. प्रश्नों के उत्तर लिखने के लिये पेन्सिल का प्रयोग न करें।
10. से कोपी या अतिरिक्त शपक नहीं दिख जायेगा।

INSTRUCTION TO THE CANDIDATE

1. Read the instructions carefully given on the Question Paper, Admit Card & Answer Script.
2. Do not write anything on back side of the cover page.
3. Write on both sides of pages of answer book.
4. Do not write anything on question paper except Roll Number.
5. Write Paper Code & Question Paper Id carefully.
6. CHECK the number of pages (1-24) or any other kind of damage in your answer script, if found than change the answer script immediately before the commencement of examination.
7. CHECK the Question Paper for any kind of discrepancy e.g. Subject Code, Subject Name, and Question of the Question Paper during first THIRTY MINUTES of the commencement of the exam, so that it can be corrected in TIME. After that no corrections shall be entertained by the university.
8. Do not use pencil for answering the question.
9. Write status correctly e.g. those appearing in carry over papers should fill in status as Carry Over. Those appearing as Ex- Students should fill in status as ex.
10. No supplementary answer book & graph paper will be provided.

INSTRUCTION TO THE CANDIDATE FOR FILLING PART-IV

1. Use blue or black ball point pen for writing alphabets & numerals in Boxes.
2. Use blue or black ball point pen for filling the circles.

	1	8	1	5	4	3	2	1	6	9
0	0	0	0	0	0	0	0	0	0	0
1	●	1	●	1	1	1	1	●	1	1
2	2	2	2	2	2	2	●	2	2	2
3	3	3	3	3	3	●	3	3	3	3
4	4	4	4	4	●	4	4	4	4	4
5	5	5	5	●	5	5	5	5	5	5
6	6	6	6	6	6	6	6	6	●	6
7	7	7	7	7	7	7	7	7	7	7
8	8	●	8	8	8	8	8	8	8	8
9	9	9	9	9	9	9	9	9	9	●

Note- If your Roll No. is of 10 digits. Please leave first three columns .



Paper Code

FO10101T (A)



1

Business Economics

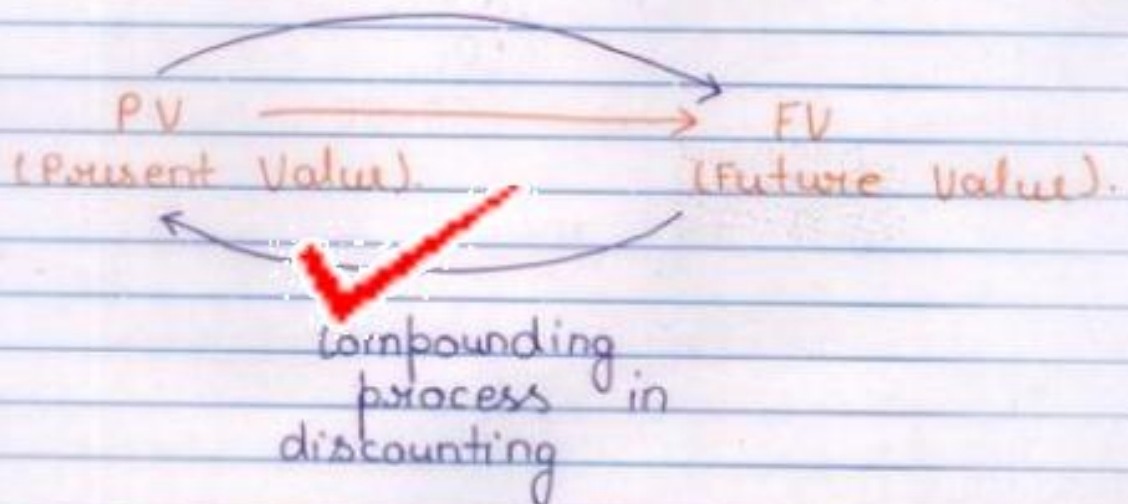
Section - 'A'

Question - 1 (A)

Answer - 1 (A)

Discounting

Discounting principle refers to assessing the worth of investment by converting the compounding process to know the present value of future cash flows. Discounting principle is said to be the tool of business economics.



P.T.O



Paper Code

FOI0101T(A)



2

Example \rightarrow

Suppose, there is 0.8% interest and discount of 100 Rs. Find its actual worth.

The formula used for discounting principle is -

$$\Rightarrow \frac{A}{(1+i)^n}$$

$$\text{Here, } A = 100$$

$$i = 0.8$$

So,

$$\Rightarrow \frac{100}{(1+0.8)^1}$$

$$\Rightarrow \frac{100}{1.08}$$

$$\Rightarrow 55.55$$

So, the actual worth is = 55.55.



Question - 1(F)

Answer - 1(F)

Opportunity Cost

Opportunity cost states that out of all the available alternatives, we choose the best alternatives and give up the remaining alternatives.

The benefit we get by giving up the remaining alternatives is treated as 'cost' and this cost is known as **Opportunity Cost**.

Opportunity cost principle is also one of the tools of business economics.

Example - Suppose I have 1000 RS. for investment. The options for investment are -

- (i). Investment for purchasing book.
- (ii). Investing in buying clothes.
- (iii). Investing it in the means of entertainment.



* Here Investment refers to investing or spending.

Now, if we spend or invest money on purchasing books, then we have to give up the other two alternatives, and the benefit we will get from those remaining alternatives would be treated as cost. And this cost is known as "Opportunity cost."



Paper Code

FOI O I O I T (R)



5

Long - Answers

Section - B

Answer - 3

Elasticity of Demand

Elasticity of demand is the responsiveness of quantity demanded to change in price.

$$\Rightarrow \frac{\frac{Q_1 - Q}{Q}}{\frac{P_1 - P}{P}}$$

$$\Rightarrow \frac{\frac{\Delta Q}{Q}}{\frac{\Delta P}{P}}$$

$$\Rightarrow \frac{\Delta Q}{\Delta P} \times \frac{1}{Q}$$



Paper Code

F 918101T(A)



6

Degree of Elasticity of Firm Demand -

$E_D = 0$ (Perfectly perfectly inelastic)

$E_D < 1$ (Relatively inelastic)

$E_D = 1$ (Unitary elastic)

$E_D > 1$ (Relatively elastic)

$E_D = \infty$ (Perfectly elastic)

• Price Elasticity of Demand

Price elasticity of demand refers to measure of responsiveness of quantity demanded to change in price. ✓

$E_D \Rightarrow \frac{\text{Proportionate change in quantity demanded}}{\text{Proportionate change in price}}$

$$\Rightarrow \frac{Q_1 - Q}{Q}$$

$$\frac{P_1 - P}{P}$$

$$\Rightarrow \frac{\frac{\Delta Q}{Q}}{\frac{\Delta P}{P}}$$



Paper Code

F 0 1 0 1 0 1 7 (A)



7

$$\Rightarrow \frac{\Delta Q}{\Delta P} \times \frac{P}{Q}$$

Methods to calculate Price elasticity of demand \rightarrow

- 1). Total Expenditure method.
- 2). Percentage / proportionate method.
- 3). Point elasticity of demand.
- 4). Arc elasticity of demand.

1). Total Expenditure method \Rightarrow Change in price leads to subsequent change in quantity demanded.

$$TQ = P \times Q$$

Price	Quantity	Total Quantity ($P \times Q$)
5	1	5
4	2	8
3	3	9
2	4	8
1	5	5



2). Proportionate Method -

\Rightarrow $\frac{\text{Proportionate change in quantity demanded}}{\text{Proportionate change in price}}$

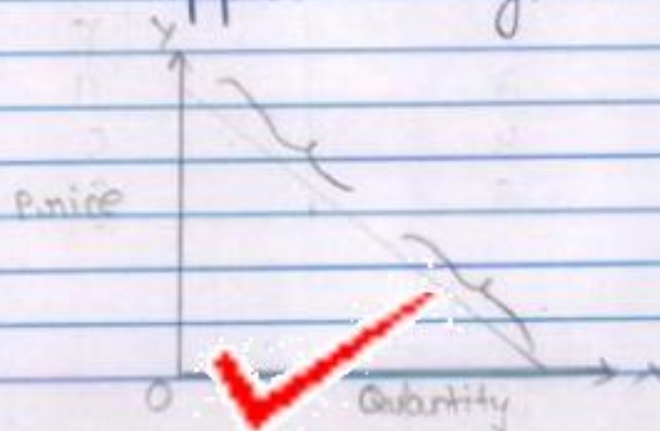
$$= \frac{Q_1 - Q}{Q} \div \frac{P_1 - P}{P}$$

$$\Rightarrow \frac{\Delta Q}{Q} \div \frac{\Delta P}{P}$$

$$\Rightarrow \frac{\Delta Q}{\Delta P} \times \frac{P}{Q}$$

3). Point elasticity of demand - It measures the price elasticity at a definite price.

\Rightarrow $\frac{\text{Lower segment of demand curve}}{\text{Upper segment of demand curve}}$





Paper Code

FO10101T (A)



9

4). Arc Elasticity of demand \rightarrow It calculates price elasticity by measuring two different points of demand curve.



• Cross Elasticity of demand

When the price change of one product takes place and due to this the quantity demanded of another product changes, it is known as

'Cross elasticity of demand'

$\Rightarrow \frac{Q_x - Q_x}{Q_x} \Rightarrow$ suppose, x is 1st product
y is 2nd product.

$$\frac{P_y - P_y}{P_y}$$

P.T.O



Paper Code

F0101017(A)



10

Do Not Write anything in this Portion

$$\Rightarrow \frac{\frac{\Delta Q_x}{Q_x}}{\frac{\Delta P_y}{P_y}}$$

$$\Rightarrow \frac{\Delta Q_x}{\Delta P_y} \times \frac{P_y}{Q_x}$$



Paper Code

F010101T(A)



11

Section - C

Long - Answer

Question - 5

Answer - 5

Business Economics

- "Economics" is a science that describes the relationship between the human wants and the scarce means which have alternative uses.
- "Business Economics" is a subject that uses the tools of economics. Business Economics is a broad term that includes the complete study of economics with respect to various definitions, topics, etc.
- Why is knowledge of business economics is vital for an entrepreneur :-
 - Knowledge of business economics is vital for an entrepreneur because it consists of almost all the principles need for a business. How to raise profit (profit maximization), long run and short run.

P.T.O



Different tools like - opportunity cost, equimarginal, incremental, etc.

- Economics provide the great knowledge about the national income of the country.

- To manage a business, a person should have the knowledge of business economics, also.

- Business economics is now also taught in schools and colleges, etc.

Relation of Economics with other disciplines :-

Economics is a broad term, teaching us about wealth, welfare, human wants and growth, etc. Economics is also related with other subjects - such as -

- Social science
- Science and art
- Psychology
- statistics
- Mathematics



Paper Code

FOIP1017(A)



13

• Economics and social science →

Economics is not only related with social science, but it is also said to be queen of social science. Economics and social science both include the history.

• Economics and Science and Art →

Economics and science and art are related as - econo.

• Economics and science both are based on practical knowledge like - Theories, Theoretical

• Economics and art both include creativity, experience, etc.

• Economics and Psychology →

Economics and psychology both are related as both tries to understand the cause and force of human behaviour.



Paper Code

F010101T(A)



14

• Economics and Statistics -

Economics and statistics are related as they both analyse, collect and understand the data. They include - consumption, production, Public finance, etc.

• Economics and Mathematics -

Related Economics and mathematics tries to understand the need of consumer, data, etc.

End.

Do Not Write anything in this Portion

X



Paper Code

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15

X

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Paper Code

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16

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Paper Code

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17

X

Do Not Write anything in this Portion



Paper Code

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18

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Paper Code

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19

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20

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Paper Code

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21

X

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22





Paper Code

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23

X

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Paper Code

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24

X