

GUJARAT TECHNOLOGICAL UNIVERSITY**B.VOC- SEMESTER-I EXAMINATION – WINTER 2024****Subject Code:BV01006021****Date:23-12-2024****Subject Name: Business Economics For Entrepreneurs-1****Time:10:30 AM TO 12:30 PM****Total Marks:50****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Simple and non-programmable scientific calculators are allowed.

	Marks
Q.1 (a) Define Business Economics. How does it differ from traditional economics?	05
(b) How do scarcity and choice form the basis of economic theory?	05
Q.2 (a) Define "Entrepreneurship" and explain its role in the economic development of a country.	05
(b) Discuss the role of Business Economics in strategic decision-making for entrepreneurs.	05
OR	
(b) Explain the central economic problems of "What to produce," "How to produce," and "For whom to produce."	05
Q.3 (a) What is a demand schedule? How does it relate to the demand curve?	05
(b) Differentiate between individual demand and market demand.	05
OR	
Q.3 (a) Explain the impact of substitutes and complements on the demand for a good.	05
(b) Explain income elasticity of demand. How does it help in classifying goods (normal vs. inferior)?	05
Q.4 (a) Explain how changes in income and prices affect the budget line.	05
(b) How does the Indifference Curve Analysis explain consumer preferences?	05
OR	
Q.4 (a) What is the relationship between cost of production and supply?	05
(b) How do taxes and subsidies influence the supply of goods and services?	05
Q.5 (a) Explain producer surplus. How is it related to the supply curve?	05
(b) What factors lead to a movement along the supply curve versus a shift in the supply curve?	05
OR	
Q.5 (a) How is the market supply curve derived from individual supply curves?	05
(b) Discuss the practical importance of supply elasticity in determining production levels.	05
