



**NMIMS Global Access**  
**School for Continuing Education (NGA-SCE)**

**Course:** Business Economics

**Internal Assignment Applicable for September 2022 Examination**

Assignment Marks: 30

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**Instructions:**

- *All Questions carry equal marks.*
- *All Questions are compulsory*
- *All answers to be explained in not more than 1000 words for question 1 and 2 and for question 3 in not more than 500 words for each subsection. Use relevant examples, illustrations as far as possible.*
- *All answers to be written individually. Discussion and group work is not advisable.*
- *Students are free to refer to any books/reference material/website/internet for attempting their assignments, but are not allowed to copy the matter as it is from the source of reference.*
- *Students should write the assignment in their own words. Copying of assignments from other students is not allowed.*
- *Students should follow the following parameter for answering the assignment questions.*

For Theoretical Answer	
Assessment Parameter	Weightage
Introduction	20%
Concepts and Application related to the question	60%
Conclusion	20%

For Numerical Answer	
Assessment Parameter	Weightage
Understanding and usage of the formula	20%
Procedure / Steps	60%
Correct Answer & Interpretation	20%

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1. Aakansha is handling an important project for her organization. She got tied up with the work, hence skipped her lunch. One of her friend offered Aakansha's favorite pizza. She felt very thankful and happy with the kind gesture of her colleague. The first few bite of



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the pizza gave her a lot of satisfaction than the rest pieces. Comment on this behavior and elaborate on which economic theory it focusses on. Also, discuss the various assumptions of the given theory. **(10 Marks)**

2. Enumerate the difference between Economies of scale and economies of scope. Explain how organizations achieve economies of scope. Provide real world examples of the organizations who have successfully adopted economies of scope. **(10 Marks)**

3. a. Suppose the monthly income of an individual increases from Rs 20,000 to Rs 35,000 which increases his demand for clothes from 40 units to 50 units. Calculate the income elasticity of demand and interpret the result. **(5 Marks)**

3. b. Quantity demanded for tea has increased from 300 to 450 units with an increase in the price of the coffee powder from Rs 25 to Rs 30. Calculate the cross elasticity of demand between tea and coffee and explain the relationship between the goods. **(5 Marks)**

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