

**I Semester B.Com. Examination, November/December 2016
(Semester Scheme) (Repeaters)
(Prior to 2012 – 13)
1.5 : BUSINESS ECONOMICS – I**

Time : 3 Hours

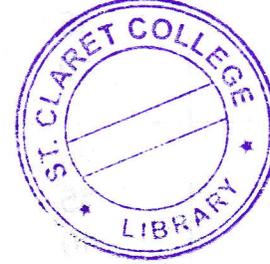
Max. Marks : 100

Instruction : Answer should be written *Completely* either in *Kannada* or in *English*.

SECTION – A

Answer any eight sub-questions. Each sub-question carries 2 marks. (8x2=16)

1. a) Give any four features of Business Economics.
- b) What is business operation ?
- c) What is Consumption ?
- d) What are Giffen's goods ?
- e) What is total utility ?
- f) State the law of demand.
- g) What is Cross elasticity of demand ?
- h) Give an imaginary indifference Schedule.
- i) What is meant by elasticity of supply ?
- j) What is production function ?
- k) What is ISO Cost Curves ?
- l) What is real Cost ?



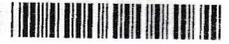
SECTION – B

Answer any three questions. Each question carries 8 marks. (3x8=24)

2. A manufacturer incurs a total fixed cost of ₹ 800 to produce 6 units of the product. The Marginal Cost is as follows.

Out put (in units)	1	2	3	4	5	6
Marginal Cost	440	200	140	170	290	500

Find out total cost, variable cost, average cost, average variable cost and average fixed cost.



3. The following is from the sales records of ABC Co. Using Least Square method forecast the sales for the year 2016 and 2017.

Year	2011	2012	2013	2014	2015
Sales (₹ in Lakhs)	35	40	30	60	50

4. With the help of the following data adopting total outlay method, find out the price elasticity of demand. Diagrammatically represent the demand curve.

Situation	Price per unit (in ₹)	Quantity Demand (in units)
I	20	600
	15	900
	10	1400
II	20	600
	15	700
	10	800
III	20	600
	15	800
	10	1200

5. Write a note on consumer's surplus.
6. What are the determinants of supply ? Explain.

SECTION – C

Answer **any four** questions from the following. **Each** question carries **15** marks.

(4×15=60)

7. Discuss the role of a business Economist in a modern organisation.
8. State and explain the law of equi marginal utility.
9. What is demand forecasting ? What are the various methods of demand forecasting.



10. Discuss the behaviour of cost curves in the short period.
11. What are the properties of indifference curves.
12. What are Economics of scale ? Explain various internal and external Economics of Large Scale production.