Instruction: Answers should be written completely either in English or in Kannada.

SECTION – A

Answer any eight of the following. Each question carries two marks. (8×2=16)

1. a) Define Business Economics.
   பொருளாதாரச் சார்ந்த அற்றொருணாயிடம் பெறுவதைக் குறிப்பிடுவது.

b) State the Law of Demand.
   காட்சி விசையைப் பற்றியது.

c) Define Production Function.
   படைப்பு செய்யப் பயன்படுத்தப்படும் அளவை விளக்குவது.

d) What is Marginal Utility?
   மாற்றம் குறைவு பொருளாதாரச் சார்ந்த அளவை கூறுவது.

e) Give the meaning of Market Demand Schedule.
   பாராள் விசையைப் பற்றியது.

f) What are Economies of Scale?
   பொருளாதாரச் சார்ந்த அளவை கூறுவது.
g) Give the meaning of Budget Line.

h) State Law of Supply.

i) Give the meaning of Opportunity Cost.

j) Distinguish between Firm and Industry.

SECTION – B

Answer any three of the following. Each question carries eight marks. (3×8=24)

2. Who is Business Economist? Discuss the role of Business Economist in a firm.

3. What do you mean by Consumer Sovereignty? State its limitations.

4. What is meant by Total Outlay Method? From the following information determine the nature of price elasticity of demand using total outlay method.

<table>
<thead>
<tr>
<th>Price (Rs.)</th>
<th>Qty. (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>500</td>
</tr>
<tr>
<td>10</td>
<td>650</td>
</tr>
<tr>
<td>08</td>
<td>900</td>
</tr>
</tbody>
</table>
5. From the following cost data given below, calculate FC, VC, AFC, AVC, AC and MC of a firm.

<table>
<thead>
<tr>
<th>Output (in Units)</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost (in Rs.)</td>
<td>400</td>
<td>480</td>
<td>550</td>
<td>590</td>
<td>620</td>
<td>650</td>
<td>730</td>
<td>820</td>
<td>950</td>
</tr>
</tbody>
</table>

6. Explain why demand curve always slopes downward from left to right.

**SECTION – C**

Answer any four of the following. Each question carries fifteen marks. \(4 \times 15 = 60\)

7. Explain the Law of demand with schedule and diagram. What are its assumptions?

9. From the data given below, find the trend values for each year, using the method of least squares and estimate the annual sales for the year 2013 and 2014.

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (Rs. in lakhs)</td>
<td>80</td>
<td>95</td>
<td>120</td>
<td>83</td>
<td>102</td>
<td>100</td>
<td>120</td>
</tr>
</tbody>
</table>

10. What are internal and external economies? Explain.

11. What is Demand Forecasting and explain the methods used for forecasting the demand.