

BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2025
2018, 2019, 2020, 2021 ADMISSIONS SUPPLEMENTARY
SEMESTER VI - CHOICE BASED CORE (ECONOMICS)
EC6B15AB18 - Business Economics

Time : 3 Hours**Maximum Marks : 80****Part A****I. Answer any Ten questions. Each question carries 2 marks****(10x2=20)**

1. Explain the difference between Rational and non-rational model in decision making.
2. Define Barometric Forecasting.
3. What is Demand Forecasting?
4. What are the features of Isoquants?
5. Explain Increasing, Decreasing and Constant returns to scale.
6. Define Law of Variable Proportions.
7. Explain market skimming.
8. Explain Dynamic theory of profit.
9. What is profit planning?
10. Explain Pay back method.
11. Which are the traditional methods of capital budgeting?
12. What is capital rationing decision method?

Part B**II. Answer any Six questions. Each question carries 5 marks****(6x5=30)**

13. Explain the nature, scope and significance of business economics.
14. Explain the objectives of demand forecasting.
15. What are the exceptions to the law of demand?
16. What is an isoquant? What are the properties of isoquants. Illustrate your answer with appropriate diagram.
17. Discuss the theory of linear programming.
18. Discuss the various theories of profit which have been offered from time to time.
19. Explain the principles of pricing policy.
20. Briefly explain the kinds of pricing adopted by business for the pricing of products.
21. Explain the cost of capital.

Part C**III. Answer any Two questions. Each question carries 15 marks****(2x15=30)**

22. Explain Demand Estimation using regression analysis.
23. Explain Traditional Cost theory with the help of diagram.
24. Explain the role and types of profit.
25. Explain the important steps involved in a capital budgeting process.