



Reg. No. : .....

Name : .....

**First Semester B.B.A. Degree Examination, December 2016**  
**(Career Related First Degree Programme under CBCSS)**  
**Core Course**  
**BM 1142 : PRINCIPLES OF BUSINESS DECISION**  
**(2014 Admission Onwards)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

I. Answer **all** questions in **one** or **two** sentences. **Each** question carries **1** mark.

- 1) What do you mean by Law of Diminishing Returns ?
- 2) What do you understand by factors of production ?
- 3) What is elasticity of demand ?
- 4) What is meant by variable cost ?
- 5) What is Demand Schedule ?
- 6) What do you mean by implicit cost ?
- 7) What is oligopoly ?
- 8) What do you mean by marginal cost pricing ?
- 9) What is demand forecasting ?
- 10) Give a brief account of price skimming.

**(10×1=10 Marks)**

P.T.O.



## SECTION – B

II. Answer **any 8** questions. **Each** question carries **2** marks.

- 11) What is equi-marginal principle ?
- 12) Enumerate the objectives of demand analysis.
- 13) Mention any two assumptions of production function.
- 14) Briefly explain unit elasticity of demand.
- 15) Write a short note on survey method of demand forecasting .
- 16) Write a short note on the Laws of production.
- 17) Name any two causes of Business cycle.
- 18) Name any two properties of isoquants.
- 19) What are the assumptions of Law of Diminishing Returns ?
- 20) Differentiate price elasticity from income elasticity of demand.
- 21) What do you mean by 'trough' phase of Business Cycles ?
- 22) What are the basic characteristics of a Business Cycle ? **(8x2=16 Marks)**

## SECTION – C

III. Answer **any 6** questions. **Each** question carries **4** marks.

- 23) What are the assumptions of Law of Demand ?
- 24) Explain the characteristics of perfect competition.
- 25) Briefly explain various types of elasticity of demand.
- 26) Explain monetary Overinvestment Theory of Business Cycle.
- 27) What is oligopoly ? What are the features of oligopoly ?



- 28) Define production function. What are the assumptions of production function ?
- 29) Explain briefly the Cobb-Douglas production function.
- 30) Enumerate the features of Monopolistic competition.
- 31) What do you mean by Demand Forecast ? What are the steps involved in demand forecasting ? **(6×4=24 Marks)**

SECTION – D

IV. Answer **any 2** questions. **Each** question carries **15** marks.

- 32) Discuss various kinds of economies of scale.
  - 33) Discuss in detail various demand forecasting methods.
  - 34) Define Supply. Discuss the factors which determine supply of a product.
  - 35) a) What are the different kinds of monopoly ?  
b) Distinguish between perfect competition and monopolistic competition. **(2×15=30 Marks)**
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