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Reg. No. : .....

Name : .....

**First Semester B.B.A. Degree Examination, January 2016  
(Career Related First Degree Programme Under CBCSS)**

**Group 2(b)**

**Core Course**

**BM 1142 : PRINCIPLES OF BUSINESS DECISIONS  
(2014 Admission)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

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

1. Give a brief account of equi-marginal principle.
2. What is implicit cost ?
3. What do you mean by Law of Variable Proportion ?
4. What is Law of Demand ?
5. What is oligopoly ?
6. Define fixed cost.
7. What do you understand by production function ?
8. What is demand forecasting ?
9. What do you mean by monopoly ?
10. What do you understand by business cycles ?

**(10×1=10 Marks)**

**P.T.O.**



## SECTION – B

Answer **any eight** questions; not to exceed one paragraph. **Each** question carries **2** marks.

11. What do you mean by elasticity of demand ?
12. Define actual cost.
13. What do you understand by Law of Diminishing Returns ?
14. What do you understand by penetration price policy ?
15. Write a short note on the significance of demand analysis in business decisions.
16. Enumerate the assumptions of isoquants.
17. Bring out the significance of pricing in business decisions.
18. Give a brief account of survey method of demand forecasting.
19. Give any two properties of isoquants.
20. Distinguish between price elasticity and income elasticity of demand.
21. Explain Discounting Principle of business decisions.
22. Describe Multiplier-Accelerator Interaction Theory of Business cycle. **(8×2=16 Marks)**

## SECTION – C

Answer **any six** questions; **not** to exceed **120** words. **Each** question carries **4** marks.

23. Explain various types of elasticity of demand.
24. Enumerate different phases of business cycle.
25. Bring out clearly the meaning of relatively inelastic demand.
26. Write a short note on the Laws of Production.



27. What do you mean by skimming price policy ?
28. Explain the Delphi method of forecasting technique.
29. What are the different kinds of monopoly ?
30. Differentiate perfect competition from monopolistic competition.
31. Briefly explain Monetary Overinvestment Theory of Business Cycle. **(6×4=24 Marks)**

SECTION – D

Answer **any two** questions. **Each** question carries **15** marks.

32. Discuss in detail the determinants of demand.
  33. What do you mean by demand forecasting ? Discuss the factors involved in demand forecasting.
  34. What do you mean by Diseconomies of Scale ? Explain various kinds of Diseconomies of Scale.
  35. What do you understand by oligopoly ? Discuss the features of oligopoly.  
**(2×15=30 Marks)**
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