

Reg. No. : .....

Name : .....

**First Semester B.B.A. Degree Examination, November 2019**

**Career Related First Degree Programme under CBCSS**

**BM 1142 — PRINCIPLES OF BUSINESS DECISIONS**

**(2014 – 16 Admission)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

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

1. What is Decision making?
2. What is Demand Schedule?
3. What is law of Diminishing Marginal Utility?
4. What is Giffen Paradox?
5. What is Cross Elasticity?
6. Define Optimum Firm.
7. What is marginal cost?
8. What is social cost?
9. What is Price skimming?
10. What is Producers' Surplus?

**(10 × 1 = 10 Marks)**

## SECTION – B

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

11. Distinguish Economics and Managerial economics.
12. What are the degrees of Price Elasticity?
13. Distinguish autonomous demand and derived demand with example.
14. What are the objects of demand forecasting?
15. Explain the importance of Cobb Douglas Production Function.
16. What do you mean by law of variable proportion?
17. What is cost output relationship?
18. Distinguish total revenue and marginal revenue.
19. What is going rate pricing?
20. Distinguish between Boom and Recession.
21. What is arc elasticity?
22. Define Supply.

**(8 × 2 = 16 Marks)**

## SECTION – C

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

23. State law of Demand. What are its assumptions.
24. Explain the steps in demand forecasting.

25. What are the differences between Law of Variable Proportion and law of returns to scale?
26. Distinguish Perfect Competition and monopoly.
27. What are the features of Monopolistic competition?
28. Explain Diminishing Marginal Rate of Technical Substitution.
29. What are the types of external diseconomies?
30. Distinguish Short run Cost and Long run Cost.
31. What are the different types of monopoly ?

**(6 × 4 = 24 Marks)**

#### SECTION – D

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

32. State the characteristics and importance of managerial Economics. Discuss the basic economic tools in managerial economics.
33. What are the objectives of Pricing Policy? Discuss the factors governing pricing policy?
34. What is Price Discrimination? Mention the types of Price Discrimination? What are the situations where price discrimination is possible.
35. What is Price Elasticity? Explain the types of price elasticity.

**(2 × 15 = 30 Marks)**