B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2018

Third Semester

PRINCIPLES OF BUSINESS DECISIONS

(For UGC Sponsored B.Com. Taxation)

(2013—2016 Admissions)

Time : Three Hours　　　　　　　　　　　　　　　　　Maximum Marks : 80

Part A (Short Answer Questions)

Answer all questions.
Each question carries 1 mark.

1. What is Decision Model ?

2. What is opportunity cost ?

3. What is optimization ?

4. What is meant by risk ?

5. What is Veblin effect ?

6. What is arc elasticity ?

7. Define demand function.

8. What is short term demand forecasting ?

9. What do you mean by single-use goods ?

10. What do you mean by economies of scale ?

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Part B

Answer any eight questions.
Each question carries 2 marks.

11. State the difference between fixed cost and variable cost.

12. What are the benefits of monopoly ?

13. What is reserve price ? What factors influence reserve price ?

14. Explain the features of boom.

15. Explain the uses of business forecasting.

Turn over

16. What are the properties of isoquants ?

17. What are the exceptions to the law of demand ?

18. Explain cost function.

19. Explain Diminishing marginal utility.

20. What is Delphi method of demand forecasting ?

21. What are the different types of demand ?

22. What is the importance of cross elasticity ?

(8 × 2 = 16)

Part C (Short Essay)

Answer any six questions.
Each question carries 4 marks.

23. Write a note on the nature and scope of Managerial Economics.

24. What do you mean by decision making ? What are the steps in decision making ?

25. Discuss the different statistical methods of demand forecasting.

26. What are the factors determining price elasticity ?

27. Compare and contrast law of returns and returns to scale.

28. Discuss the importance of Cobb-Dauglas production functions.

29. What is price discrimination ? What types of discrimination are practiced by a monopolist ?

30. Explain the Law of Diminishing returns.

31. Examine the role of monetary policies to counter the evil effects of traded cycles.

(6 × 4 = 24)

Part D (Long Essays)

Answer any two questions.
Each question carries 15 marks.

32. Write an essay on the various concepts which form the basis of Managerial Economics.

33. Describe the law of demand. State the assumptions and exceptions to the law.

34. Define demand forecasting. Explain its objectives and importance in a firm.

35. What is a business cycle ? Describe the various phases of a business cycle.

(2 × 15 = 30)