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Reg. No. : .....

Name : .....

**First Semester B.B.A. Degree Examination, February 2018**  
**Career Related First Degree Programme Under CBCSS**  
**Group 2(b)**  
**Core Course**  
**BM 1142 : PRINCIPLES OF BUSINESS DECISIONS**  
**(2014-2016 Admn.)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

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

1. Define opportunity cost.
2. What is meant by variable cost ?
3. What do you understand by marginal cost pricing ?
4. What do you mean by economies of scale ?
5. What are factors of production ?
6. What is an isoquant curve ?
7. What do you mean by Demand Analysis ?
8. What is Demand Schedule ?
9. What is meant by implicit cost ?
10. What do you mean by future costs ?



**(10 Marks)**

**SECTION – B**

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

11. Write a short note on penetration price policy.
12. What are the shortcomings of cost-plus pricing ?
13. Give a brief note on Pure Monetary Theory of business cycle.
14. Distinguish between income elasticity and cross elasticity of demand.
15. Enumerate the properties of isoquants.
16. Explain briefly the law of diminishing marginal utility.

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17. Give two assumption of production function.
18. Name two features of monopoly.
19. What are the methods adopted by businessmen to avoid the ill effects of business cycles ?
20. Name two causes of Business cycle.
21. Name two factors affecting Demand Forecasting.
22. Give a brief account of Hick's Theory of Trade Cycle. (8×2=16 Marks)

### SECTION – C

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

23. Explain clearly the meaning of Law of Variable Proportion.
24. What are the different methods of pricing ?
25. Briefly describe the determinants of demand.
26. Describe clearly the meaning of perfectly elastic demand.
27. Explain Advertisement Elasticity of demand.
28. Explain the Discounting Principle of business decisions.
29. Bring out the significance of Elasticity of Demand in business decisions.
30. What are the different types of elasticity of demand ?
31. Explain the Delphi method of forecasting technique. (6×4=24 Marks)

### SECTION – D

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

32. What do you mean by oligopoly ? Discuss in detail the features of oligopoly.
33. a) What are the different kinds of monopoly ?  
b) Distinguish between perfect competition and monopolistic competition.
34. Discuss in detail various kinds of economies of scale.
35. Elucidate the different phases of business cycle. (2×15=30 Marks)