

B. COM. DEGREE END SEMESTER EXAMINATION - MARCH 2019**SEMESTER – 6: COMMERCE (COMPLEMENTARY COURSE)****COURSE: 15U6PCOM2: PRINCIPLES OF BUSINESS DECISIONS**

(Common For Regular - 2016 Admission / Supplementary-Improvement 2015 admission)

Time: Three Hours

Max. Marks: 75

SECTION – A

*Answer **all** questions. Each question carries **two** marks.*

1. Define cross elasticity of demand.
2. What is 'diamond water paradox'?
3. What is meant by constant returns to scale?
4. What is meant by monetary policy?
5. What is cost function?
6. Define External Economies.
7. State the law of diminishing marginal utility.
8. Define Opportunity cost.
9. Define Duopoly.
10. Define Managerial Economics. (2 x 10 = 20)

SECTION – B

*Answer **any five** questions. Each question carries **five** marks.*

11. What are the factors affecting demand forecasting?
12. Explain the relationship between TR curve and MR curve.
13. Explain the nature and managerial uses of production function.
14. The price of BMW car was Rs. 90 lakhs and its price was reduced by Rs.30, 000. This reduction in price did not increase its demand. Why?
15. Distinguish between the Extension in demand and increase in demand.
16. "A firm should not produce beyond the least-cost output point" Discuss.
17. Explain the Kinked demand curve. (5 x 5 = 25)

SECTION- C

*Answer **any three** questions. Each question carries **ten** marks.*

18. Discuss the methods of measuring the elasticity of demand.
19. Explain the alternate phases of business cycle.
20. What is cost function? Discuss short-run cost function.
21. What is demand? State the law of demand. Discuss the factors affecting demand.
22. Discuss the degrees of price discrimination. Explain the conditions under which price discrimination is possible. (10 x 3 = 30)