

**B. COM. DEGREE END SEMESTER EXAMINATION - MARCH 2020**

SEMESTER –6: COMMERCE (COMPLEMENTARY COURSE)

COURSE: 15U6PCOM2: PRINCIPLES OF BUSINESS DECISIONS

*(Common for Regular 2017 Admission & Supplementary 2016 /2015 Admissions)*

Time: Three Hours

Max Marks: 75

**SECTION A*****Answer all questions. Each question carries 2 marks.***

1. Define Decision Making.
2. What do you mean by Contribution Concept?
3. What is Price Discrimination?
4. What is Product Differentiation?
5. What are the guiding principles of Oligopoly?
6. What is Recession?
7. What do you mean by Fiscal Policy?
8. What is Demand Forecasting?
9. What is Shift in Demand?
10. What do you mean by kinked demand curve? (2 × 10 = 20)

**SECTION B*****Answer any five questions. Each question carries 5 marks.***

11. What are the uses of price elasticity concept?
12. Explain different types of demand
13. Explain importance of demand forecasting.
14. Explain Law of diminishing returns.
15. Briefly explain different control measures of Business Cycle.
16. What do You mean by Monopolistic Competition? What are its Characteristics?
17. The market analysis reveals that 10000 Khaitan fans were sold in Kerala when its price was Rs.505, where as 25000 Crompton fans were sold at the period at a price of Rs. 510. When the price of Crompton fan increased to Rs. 525 its demand decreased to 15000 fans. But the demand of Khaitan fans during the same period increased to 15000 without making any change in price. Find out the cross elasticity of demand of Khaitan fans.

(5 × 5 = 25)

**SECTION C**

***Answer any three questions. Each question carries 10 marks.***

18. What are opportunity costs? Give some examples. How are those costs relevant for managerial decisions?
19. Explain the meaning of Price Leadership. What are the conditions necessary for effective Price Leadership?
20. Explain the Chief Characteristics of Law of Demand. What are the exceptions to the Law of Demand?
21. Explain
  - a) Price Elasticity of Demand
  - b) Income Elasticity Of Demand
  - c) Cross Elasticity of Demand
  - d) Advertisement Elasticity of Demand
22. What are the different theories of Business Cycle? (10 x 3 =30)

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