M. COM DEGREE END SEMESTER EXAMINATION - OCTOBER 2018
SEMESTER 3 : COMMERCE
COURSE : 16P3COMT15 : PRINCIPLES OF MANAGERIAL DECISIONS
(For Regular - 2017 Admission & Supplementary - 2016 Admission)

Time : Three Hours   Max. Marks: 75

Section A
Answer any 10 (2 marks each)

1. What do you mean by 'Economic Profits' ? Explain.
2. Assuming chicken and cheeseburgers are perfect substitutes, and income is fixed at Rs.24, What is likely to happen to the demand for chicken burgers (to the nearest burger), if the price of cheeseburgers rises to Rs.40?
3. What do you mean by Total Outlay Method of elasticity ?
4. State the properties of Iso-quants.
5. What is meant Decoy Pricing ?
6. What is Cost in terms of Economics ?
7. Distinguish between Personal Distribution and Functional Distribution .
8. State Marginal Productivity Theory of Factor Pricing.
9. Distinguish between Real Wage and Nominal Wage.
10. What is aggregate demand ?
11. Prove that APC+APS = 1.
12. Define Trade Cycle.   **(2 x 10 = 20)**

Section B
Answer any 5 (5 marks each)

13. What is meant by Internal Economies of Scale ? Explain the different types of Internal Economies ?
14. Using an example of your own explain the relationship between AC and MC.
15. Explain the Modern Theory of Rent.
16. Briefly explain the pricing strategies that are adopted in pricing a product in relation to its well established products.
17. What are the different kinds of inflation ? Explain.
18. Explain the factors that determine propensity to consume and save.
19. Explain the various monetary measures to control inflation.
20. 'Business Cycles are the result of chain reaction of several interacting forces' - Comment.

(5 x 5 = 25)

Section C
Answer any 3 (10 marks each)

21. Explain the conditions of equilibrium under monopoly. How a monopolist attain equilibrium under different cost conditions in Long Run ?

22. Elucidate the Law of Variable Proportions with the help of an example.

23. How does capital formation takes place ? .

24. Explain the concepts of aggregate demand and aggregate supply. Using aggregate demand and supply illustrate how equilibrium of national income is determined.

25. What do you mean by business cycle ? Explain its characteristics.

(10 x 3 = 30)