QP CODE: 26021119

s26021119

Reg No : .....

Name : .....

B.COM DEGREE (CBCS) REAPPEARANCE/ MERCY CHANCE EXAMINATIONS, APRIL 2026

Second Semester

Complementary Course - CO2CMT02 - PRINCIPLES OF BUSINESS DECISIONS

(Common to all B.Com Degree Programmes)

2017 Admission Onwards

7C466252

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: This question paper contains two sections. Answer SECTION I questions in the answer-book provided. SECTION II, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under SECTION II

Part A

*Answer any **ten** questions.*

Each question carries 2 marks.

1. What is decision-making?
2. What is meant by expansion and contraction of demand?
3. What is income elasticity of demand?
4. Making use of cross elasticity, how can we determine the nature of the goods.
5. Mr. Raju consumed 200 units of product X when his monthly income was Rs 10,000. When his monthly income increased to Rs 15,000 his consumption increased to 300 units. Calculate income elasticity of demand.
6. Define production function.
7. Why two isoquants never intersect each other?
8. What is meant by implicit cost? Write examples.
9. 'Firms in a perfectly competitive market are price takers'. Explain.

10. What is absolute monopoly?

11. What are the requirements for price discrimination?

12. Distinguish between duopoly and duopsony.

(10×2=20)

Part B

*Answer any **six** questions.*
*Each question carries **5** marks.*

13. Explain the concept of time perspective with an example.

14. Explain the limitations of law of demand.

15. What are the steps involved in demand forecasting?

16. Explain the various methods of demand forecasting for new product.

17. Differentiate between increasing returns to scale and diminishing returns to scale.

18. What are the general determinants of cost?

19. What are the objectives of pricing?

20. Is price discrimination beneficial to society?

21. Explain the short-run equilibrium of a firm under perfect competition.

(6×5=30)

Part C

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

22. Define Decision making. Explain the steps involved in decision making.

23. Explain in detail the factors influencing price elasticity of demand.

24. Discuss the importance of production function. What is Cobb-Douglas production function?

25. What is oligopoly? Explain the kinked-demand curve model of pricing under oligopoly.

(2×15=30)