



Avinashilingam Institute for Home Science and Higher Education for Women

(Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD)
Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination - November 2024 I Semester

Class : I UG
Major : B.Com Corporate Secretaryship

Time : 3 Hours
Max. Marks : 100

23BCRC02 Economic and Business Environment

Course Outcomes:

- CO1: Analyse the Demand and Supply under different market conditions.
- CO2: Understand the fundamental Principles of Revenue and Capital Budget
- CO3: Acquire knowledge about Indian Economy
- CO4: Familiarise with different types of Business Environment
- CO5: Gain Knowledge about various Government Institutions and Regulatory Bodies

Part A

10 x 1 = 10

Choose the Correct Answer

1. Which of the following best defines "elasticity of demand"? CO1K1
 - a. The degree to which demand changes with a change in price
 - b. The difference between demand and supply
 - c. The change in demand due to a shift in market competition
 - d. The number of substitutes available for a product
2. In a monopolistic competition, firms typically: CO1K2
 - a. produce identical products
 - b. have no control over price
 - c. face many competitors but sell differentiated products
 - d. operate under government-imposed price controls
3. Which of the following is a component of the capital budget? CO2K1
 - a. Interest payments
 - b. Salaries of government employees
 - c. Expenditure on infrastructure development
 - d. Collection of taxes
4. What does "fiscal deficit" refer to in the Union Budget? CO2K2
 - a. The excess of total expenditure over total revenue
 - b. The excess of capital expenditure over capital receipts
 - c. The excess of exports over imports
 - d. The excess of total revenue over total expenditure
5. The primary sector of the Indian economy refers to: CO2K1
 - a. Services like banking and insurance
 - b. Manufacturing activities
 - c. Agriculture and allied activities
 - d. Information Technology services
6. Which of the following components is part of the Balance of Payments (BoP)? CO2K2
 - a. Export and import of goods
 - b. Capital receipts
 - c. Domestic savings
 - d. Tax collection
7. Which of the following is a factor of the socio-cultural environment of a business? CO3K2
 - a. Interest rates
 - b. Inflation
 - c. Demographic changes
 - d. Government policies
8. What does the Ease of Doing Business Index measure? CO3K1
 - a. The ease of setting up and running a business in a country
 - b. The productivity of employees
 - c. The profit margins of businesses
 - d. The impact of business on the environment
9. Which institution in India is responsible for regulating the securities market? CO3K1
 - a. NITI Aayog
 - b. RBI
 - c. SEBI
 - d. CCI
10. What is the primary role of NITI Aayog in India's governance structure? CO3K2
 - a. Regulate foreign trade
 - b. Formulate monetary policy
 - c. Act as a policy think tank for the government
 - d. Manage public sector enterprises

Part B**5 x 6 = 30****Answer ALL questions****Each answer should not exceed 400 words or two pages**

- 11.a. Explain the difference between expansion/contraction and increase/decrease in demand. CO1K2
(or)
- 11.b. Discuss the characteristics of monopolistic competition with suitable examples. CO1K2
- 12.a. Differentiate between revenue budget and capital budget. CO2K4
(or)
- 12.b. Define fiscal deficit and explain its components. CO2K1
- 13.a. Explain the current scenario of agriculture and allied activities in India. CO2K2
(or)
- 13.b. What are the major components of Balance of Payments? Explain each briefly. CO2K2
- 14.a. Discuss the various factors influencing the business environment. CO3K2
(or)
- 14.b. Explain the different types of environments that affect businesses. CO3K2
- 15.a. Briefly describe the roles and functions of SEBI and RBI in the Indian financial system. CO3K1
(or)
- 15.b. What is the role of NITI Aayog in India's economic development? CO3K1

Part C**5 x 12 = 60****Answer ALL questions****Each answer should not exceed 800 words or four pages**

- 16.a. Explain the concept of elasticity of demand and how it affects the equilibrium price in different market conditions. CO1K2
(or)
- 16.b. Analyze the differences between perfect competition and monopolistic competition, providing examples of each type of market structure. CO1K4
- 17.a. Discuss the components of the capital budget in the Indian Union Budget. How do these components affect long-term economic growth? CO2K2
(or)
- 17.b. Evaluate the impact of fiscal deficit on a country's economy. Support your judgment with examples from the Indian economy. CO2K5
- 18.a. Illustrate the key challenges faced by the agricultural sector in India and suggest potential solutions to address them. CO3K3
(or)
- 18.b. Compare and contrast the components of the Balance of Payments (BoP). How do current and capital accounts influence the BoP? CO3K4
- 19.a. Explain how the legal and technological environment affects business operations in India. Give examples of specific laws and technologies that have had a significant impact. CO4K2
(or)
- 19.b. Analyze the role of the Ease of Doing Business Index in shaping business policies in India. How has it influenced foreign direct investment? CO4K4
- 20.a. Describe the functions of SEBI and its role in regulating the securities market in India. CO5K1
(or)
- 20.b. Evaluate the effectiveness of NITI Aayog in promoting sustainable development in India. Provide examples to support your argument. CO5K5
