



**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 (now MoE)  
Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, category I by UGC  
Coimbatore - 641 043, Tamil Nadu, India.

**Continuous Internal Assessment Test I – August 2025**  
**I Semester**

**Class: I UG**  
**Major: B.Com (PA)**

**Time: 2 Hours**  
**Max. Marks: 60**

**23BCPC02 - Business Economics**

**Course Outcomes:**

CO1: Develop knowledge about concepts, definitions, scope and problem and solving the business  
CO2: Assess and evaluate the demand, supply, price and output determination.  
CO3: Evaluate the theories and factors of production in the current CO4: Provide and measure the price of various types of markets.  
CO5: Knowledge about different phases of business cycles.

**Part A**

**Choose the correct answer**

**6x1=6**

1. Who is the father of Economics? CO1K1  
a) Adam Smith b) Robinson c) Marshall d) George Bernard
2. Microeconomics is also called CO1K2  
a) Price theory b) Process theory c) Theory of Income and Employment d) Product theory
3. Law of demand shows the relationship between the \_\_\_\_\_ CO2 K1  
a) Quantity of demand and supply of a commodity b) Income and quantity demand of a commodity  
c) Price and quantity of a commodity d) Income and price of a commodity
4. At what point does total utility starts diminishing? CO2 K3  
a) When marginal utility is positive b) When it remains constant  
c) When marginal utility is increasing d) When marginal utility is negative
5. The concept of production expresses the relationship between CO3K2  
a) Combination of inputs and output b) Combination of risk and return  
c) Creation of demand d) Creation of supply
- 6 Which is not the correct stage of production in the law of variable proportions? CO3K1  
a) Increasing Returns b) Diminishing Return c) Positive Return d) Negative Return

**Part B**

**Answer ALL questions**

**3x6=18**

**Answer should not exceed 400 words or two pages:**

- 7.a) Point out the difference between Positive and Normative Economics CO1K2  
(or)
- 7.b) Discuss the basic problems of economics. CO1K3
8. a) Write in detail about types of demand. CO2K2  
(or)
- b) What are the factors determining supply? CO2K2
9. a) Explain in detail about factors of production. CO3K2  
(or)
- 9.b) Write a short note on ISQ-QOANTA curves. CO3K2

**Part C**

**Answer ALL questions**

**3x12=36**

**Answer should not exceed 800 words or four pages:**

- 10 a) Write in detail about objectives of the business firm. CO1K1  
(or)
- 10.b) Discuss the nature and scope of Business Economics. CO1K3
11. a) Briefly explain the methods of forecasting demand. CO2K2  
(or)
- 11.b) Explain the determination of price elasticity demand. CO2K3
- 1 2 . a) Briefly explain the concept of law of variable proportions. CO3K2