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**Avinashilingam Institute for Home Science and Higher Education for Women**  
(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)  
Re-accredited with 'A++' Grade by NAAC; Recognised by UGC Under Section 12B  
Coimbatore - 641 043, Tamil Nadu, India

**Continuous Internal Assessment Test II – October 2025**  
**Semester I**

**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 and supply, price 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. The Economies of scale under large scale production results in  
a. Increase in productivity    b. Maximizes cost    c. Increases Labour supply    d. Profit CO3K 1
2. The shape of TFC curve is  
a. Horizontal line    b. Downward sloping  
c. U-shaped    d. Upward sloping CO3K2
3. Price discrimination is possible  
a. Only under monopoly situation    b. Under any market form  
c. Only under monopolistic competition    d. Only under perfect competition CO4 K2
4. Elasticity of production under monopolistic competition is  
a. Equal to one    b. More than one    c. Less than one    d. Equal to zero CO4 K1
5. What is the cause of inflation?  
a. Money supply increases.    b. Money supply increases.  
c. Money supply increases and production falls.    d. Moth money supply and production decreases. CO5 K3
6. Which phase is the Highest point of the business cycle  
a. Upswing    b. Downswing    c. Peak    d. Trough CO5 K3

**Part- B**

**( 3x6=12)**

**Answer ALL questions**

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

- 7 a. Explain short run cost and long run cost CO3K2  
(or)
- 7 b. Write a various approach of measurement of cost – output relationship CO3K3
- 8 a. Classify the market on the basis of area CO4K2  
(or)
- 8 b. Define monopoly . what are the features of monopoly? CO4K2
- 9 a. Explain in chaterstics of business cycle CO5K2  
(or)
- 9 b. Point out the causes of inflation CO5K2

**Part -C**

**(3x12=36)**

**Answer ALL questions**

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

- 10 a. Write in detail about laws of variable proportions. CO3K1  
(or)
- 10 b. Explain the economics of scale and different types of ecoomics CO3K3
- 11 a. State the price and output determination under perfect competition CO4K2  
(or)
- 11 b. Point out the price and output determination under monopolistic competition CO4K3
- 12 a. Describe the different phases of of business cycle CO5K3  
(or)
- 12 b. Discusse the general causes behind the Business cycle CO5K2