

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**MCom(CS) DEGREE EXAMINATION DECEMBER 2025
(First Semester)**

Branch - CORPORATE SECRETARYSHIP

ECONOMICS FOR DECISION MAKING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Managerial economics primarily focuses on which level of economic analysis? a) Micro economics b) Macro economics c) Both micro economics and macro economics equally d) None of the above	K1	CO1
	2	What is the focus of forecasting in business economics? a) Predicting stock market trends b) Predicting future economic policies c) Predicting consumer demand and market trends d) Predicting technological advancements	K2	CO1
2	3	The relation of _____ is by the law of demand. a) the quantity and price of commodity b) the price and income of commodity c) demand quantity and demand-supply of commodity d) income and demand quantity of a commodity	K1	CO2
	4	Without changing the price _____ moves to a rise in commodity supply. a) fall in the supply b) decrease in the supply c) the rise in the supply d) expansion in the supply	K2	CO2
3	5	Which of the following is not a type of market structure? a) Competitive monopoly b) Oligopoly c) Perfect competition d) All of the above are types of market structures	K1	CO3
	6	Which of the following is a barrier to entry that typically results in monopoly? a) The firm controls the entire supply of a raw material b) Production of the industry's product is subject to economies of scale over a broad range of output c) Production of the industry's product requires a large initial capital investment d) The firm holds an exclusive government franchise.	K2	CO3
4	7	Which of the following is not included in the calculation of National Income? a) Wages of workers b) Rent received c) Transfer payments d) Profits	K1	CO4
	8	What is the primary goal of monetary policy? a) To increase government revenue b) To control and regulate the nation's money supply and interest rates c) To set tax rates and government expenditure levels d) To manage the country's imports and exports.	K2	CO4

Cont...

5	9	Which of the following is NOT a component of the Capital Account in India's Balance of Payments? a) Foreign Direct Investment (FDI) b) External Commercial Borrowings (ECBs) c) Net commercial borrowings d) Invisibles (services)	K1	CO5
	10	Which organization is responsible for formulating the Foreign Trade Policy in India? a) Ministry of Commerce and Industry b) Reserve Bank of India c) Securities and Exchange Board of India d) Ministry of Finance	K2	CO5

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Examine the Role & responsibilities of Managerial Economist in business decisions.	K4	CO1
		(OR)		
	11.b.	Outline the Impact of Business Cycle.		
2	12.a.	Demonstrate various types of Elasticity of Demand.	K3	CO2
		(OR)		
	12.b.	Illustrate Cobb Douglas Production Function and its Properties.		
3	13.a.	Evaluate the Impact of Price discrimination on consumer Welfare.	K5	CO3
		(OR)		
	13.b.	Infer Price determination under monopoly.		
4	14.a.	Explain how does national income accounting helps in understanding the performance of an economy?	K2	CO4
		(OR)		
	14.b.	Estimate the role of interest rates in monetary policy.		
5	15.a.	Categorize the assumptions of cardinal and ordinal utility theories.	K6	CO5
		(OR)		
	15.b.	Formulate the main components of balance of payment.		

SECTION - C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Summarize the basic economic tools in Managerial Economics.	K5	CO1
2	17	Abstract the Factors determining the scope of product line.	K6	CO2
3	18	Demonstrate different pricing strategies that a firm can use to maximize its profit.	K3	CO3
4	19	Outline the consequences of inflation on the economy.	K1	CO4
5	20	Analyse the impact of India's trade policy on its economic growth.	K4	CO5