25CMA206/22CMA206N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2026
(Second Semester)

Branch – **COMMERCE (COST & MANAGEMENT ACCOUNTING)**

FUNDAMENTALS OF ECONOMICS AND MANAGEMENT

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	Utility refers to: (i) Cost of production (ii) Satisfaction derived from consumption (iii) Demand curve (iv) Supply schedule	K1	CO1
	2	Income elasticity of demand measures the change in demand due to (i) Change in price (ii) Change in income (iii) Change in supply (iv) Change in population	K2	CO1
2	3	The Law of Variable Proportion operates in: (i) Long run (ii) Short run (iii) Medium run (iv) All periods	K1	CO2
	4	Marginal cost refers to (i) Cost per unit (ii) Additional cost of producing one more unit (iii) Total cost (iv) Selling price	K2	CO2
3	5	Money serves as (i) Medium of exchange (ii) Unit of demand (iii) Cost of supply (iv) Production factor	K1	CO3
	6	Money market deals with (i) Long-term funds (ii) Short-term funds (iii) Capital goods (iv) Consumer goods	K2	CO3
4	7	Planning involves (i) Organizing (ii) Deciding future course of action (iii) Staffing (iv) Controlling	K1	CO4
	8	Delegation of authority means (i) Avoiding work (ii) Assigning responsibility to subordinates (iii) Increasing workload (iv) Reducing power	K2	CO4
5	9	Leadership refers to (i) Controlling employees (ii) Influencing others to achieve goals (iii) Hiring staff (iv) Planning activities	K1	CO5
	10	Programmed decisions are (i) Routine in nature (ii) Non-recurring (iii) Strategic (iv) Complex	K2	CO5

Cont...

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.	Define Demand and explain the determinants of demand.	K1	CO1
		(OR)		
	11.b.	Define Elasticity of Demand and explain its types.		
2	12.a.	Explain the Law of Variable Proportion.	K2	CO2
		(OR)		
	12.b.	Explain the concept of pricing in different forms of markets.		
3	13.a.	Apply the functions of money in facilitating economic transactions.	K3	CO3
		(OR)		
	13.b.	Apply credit control measures to regulate money supply in an economy.		
4	14.a.	Analyze the role of authority and responsibility in management.	K4	CO4
		(OR)		
	14.b.	Analyze the impact of coordination on organizational efficiency.		
5	15.a.	Apply leadership styles to improve team performance.	K4	CO5
		(OR)		
	15.b.	Analyze the role of motivation in employee productivity.		

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	Apply the concept of price elasticity of demand to analyze consumer behavior in real-life situations.	K3	CO1
2	17	Analyze pricing under monopoly and perfect competition.	K4	CO2
3	18	Analyze the impact of digital payments on banking institutions.	K4	CO3
4	19	Define Management and explain its functions.	K1	CO4
5	20	Explain the decision-making process in management.	K2	CO5

Z-Z-Z END