

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Sc./B.Com. DEGREE EXAMINATION – STATISTICS/COMMERCE

THIRD SEMESTER – NOVEMBER 2007

EC 3105/EC 3103 - GENERAL ECONOMICS

AN 4

Date : 02/11/2007
Time : 9:00 - 12:00

Dept. No.

Max. : 100 Marks

PART –A

(5 x 4 = 20 marks)

Answer any FIVE questions in about 75 words each.

01. What is Income elasticity of demand?
02. Write short notes on Fixed costs and Variable costs.
03. Define deflation.
04. What is high powered money?
05. Point out the difference between budget deficit and fiscal deficit.
06. Define Advalorem duties.
07. What are the items included under non-development expenditure.

PART –B

(4 x 10 = 40 marks)

Answer any FOUR questions in about 300 words each.

08. What is meant by VAT ? Is it better than sales tax? Explain how.
09. Briefly mention about the credit control measures by the Central Bank of India.
10. What are the 'Agents of production'? Explain their features.
11. Explain the Keynesian theory of measuring national income.
12. Describe the quantity theory of money.
13. What are the factors that influence demand?
14. Discuss the features of perfect competition market.

PART – C

(2 x 20 = 40 marks)

Answer any TWO questions in about 900 words each.

15. Elaborate the mechanism of price determination under Monopoly.
16. Elucidate the various methods and difficulties involved in measuring national income.
17. What is inflation? State clearly various causes and methods of controlling inflation.
18. Analyze the growing trends in the public expenditure in India. Are they really developmental in nature?
