



**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**

**B.Com. DEGREE EXAMINATION – CORPORATE SECRE., COMMERCE**

**THIRD SEMESTER – NOVEMBER 2014**

**EC 3204 - PRINCIPLES OF ECONOMICS**

Date : 08/11/2014  
Time : 09:00-12:00

Dept. No.

Max. : 100 Marks

**Part A**

**Answer any five of the following not exceeding 75 words each:**

**5\*4 = 20**

1. State the basic problems of an economy.
2. What does utility mean?
3. Differentiate between GNP and GDP
4. State the meaning of effective demand..
5. Write a short note on Inflation.
6. Differentiate between indirect tax and direct tax.
7. What is a budget?

**Part B**

**Answer any four of the following not exceeding 250 words each:**

**4\*10 =40**

8. Explain the exceptions of demand.
9. Briefly explain the features of perfect competition
10. Describe the technical attributes of consumption and savings.
11. Explain the various functions of commercial banks.
12. Describe the components of money supply.
13. Explain the sources of public revenue.
14. Explain the various tax systems in India.

**Part C**

**Answer any two of the following, not exceeding 900 words:**

**2\*20 = 40**

15. Explain the price and output determination under monopoly market.
16. Explain the various methods of measuring national income and the difficulties encountered while calculating the same.
17. Elaborate the functions and credit control measures of Reserve Bank of India.
18. Explain the various causes of inflation and suggest remedies to overcome inflation.

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