



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – COMMERCE

FIRST SEMESTER – NOVEMBER 2014

EC 1101 / 3105 - GENERAL ECONOMICS

Date : 01/11/2014
Time : 01:00-04:00

Dept. No.

Max. : 100 Marks

PART-A

Answer any Five questions in about 75 words each:

5x4=20marks

1. Define Economics.
2. Mention two exceptions to the law of demand.
3. Define National income.
4. State the characteristics of agents of production that receive wages as reward.
5. State two primary functions of commercial Banks.
6. Define Budget.
7. Find out MPC and MPS from the following table :-

Income	Consumption expenditure
400	240
500	320
600	395
700	465

PART B

Answer any FOUR questions in about 300 words each:

4x10=40 marks

- 8. Explain the factors determining demand?
- 9. From the below table find TFC,TVC,AC,AFC,AVC and MC

Output	TC
0	10
1	15
2	19
3	22
4	24
5	25
6	28
7	31.50
8	36
9	45
10	60

- 10. Explain the concepts of National income.
- 11. State and explain the functions of Reserve Bank of India.
- 12. Explain the functions of Money.
- 13. State and explain Fisher's equation of exchange
- 14. Highlight the factors which cause inflation.

PART-C

Answer any TWO questions in about 900 words each:

2x20=40 marks

- 15. Explain the price and output determination under perfect competition.
- 16. Discuss in detail the determinants of Consumption, Saving and Investment.
- 17. Describe the various credit control measures adopted by Reserve Bank of India.
- 18. Discuss in detail the merits and demerits of Direct and indirect taxes.
