LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – **COMMERCE**

FIRST SEMESTER – **NOVEMBER 2022**

17/18UEC1AL01 – BUSINESS ECONOMICS

Date: 01-12-2022 Dept. No. Max. : 100 Marks

Time: 01:00 PM - 04:00 PM

PART - A

Answer all FIVE questions in about 75 words each. (5×4=20 marks)

1. Define the term 'Demand'.
2. Differentiate average propensity to consume and marginal propensity to consume.
3. What is meant by High powered money?
4. What are the important characteristics of money?
5. List out the characteristics of good tax system?
6. Define the Scarcity definition of economics.
7. Distinguish between developmental and non-developmental expenditure

PART - B

Answer any FOUR questions in about 250 words each. (4×10=40 marks)

8. Examine the process of credit creation.
9. What are the factors influencing elasticity of demand?
10. Explain the different methods of calculating national income.
11. Discuss the various factors of production
12. Explain the origin and evolution of money.
13. Briefly explain the 'Objective Factors' that influence the consumption function.
14. What is budget? Bring out its various kinds.

PART – C

Answer any TWO questions in about 900 words each. (2×20=40 marks)

15. Explain the quantitative and qualitative credit control methods of the RBI.
16. Examine the causes of inflation and suggest remedies.
17. Illustrate the short-run equilibrium under perfect competition.
18. Discuss in detail the merits and demerits of direct and indirect taxes levied in India.

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