



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

U.G. DEGREE EXAMINATION – ALLIED

FOURTH SEMESTER – APRIL 2025

UEC 4402 – BASIC ECONOMICS



Date: 06-05-2025

Dept. No.

Max. : 100 Marks

Time: 09:00 AM - 12:00 PM

SECTION A - K1 (CO1)

	Answer ALL the Questions	(10 x 1 = 10)
1.	Answer the following in a sentence.	
a)	Marginal Cost.	
b)	National Income.	
c)	Reserve Bank of India.	
d)	Deflation.	
e)	Indirect Tax.	
2.	Fill in the blanks	
a)	_____ is the study of how people allocate scarce resources.	
b)	_____ measures the total value of all goods and services produced in a country.	
c)	Central banks can influence inflation and economic growth by adjusting _____.	
d)	Inflation _____ the purchasing power of money.	
e)	_____ deals with government revenue, expenditure, and debt management.	

SECTION A - K2 (CO1)

	Answer ALL the Questions	(10 x 1 = 10)
3.	State True or False	
a)	Scarcity means that resources are limited and cannot satisfy all human wants.	
b)	Transfer payments, such as pensions and unemployment benefits, are included in national income calculations.	
c)	The Central Bank is responsible for printing money and controlling inflation.	
d)	Inflation is the general decline in the price level of goods and services.	
e)	A budget deficit occurs when Government Revenues exceed Government Expenditures.	
4.	Match the following	
a)	Average Cost	- Peak
b)	Inelastic Demand	- Property tax
c)	Qualitative credit control	- Vertical line
d)	Boom	- U shaped curve
e)	Direct Tax	- Direct action

SECTION B - K3 (CO2)

	Answer any TWO of the following in 100 words each.	(2 x 10 = 20)
5.	Model the types of elasticities of demand.	
6.	Identify the difficulties involved in the calculation of National Income.	
7.	Organise the functions of Commercial Banks.	
8.	Analyze the scope of Public Finance.	

SECTION C – K4 (CO3)**Answer any TWO of the following in 100 words each.****(2 x 10 = 20)**

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| 9. | Examine the factors influencing demand and supply. |
| 10. | Analyze the quantitative credit control measures. |
| 11. | Inspect the causes of inflation. |
| 12. | Classify the types of public borrowing in India. |

SECTION D – K5 (CO4)**Answer any ONE of the following in 250 words****(1 x 20 = 20)**

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| 13. | Evaluate the methods to calculate National Income. |
| 14. | Explain the different phases of trade cycles. |

SECTION E – K6 (CO5)**Answer any ONE of the following in 250 words****(1 x 20 = 20)**

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| 15. | Compile the nature and scope of Economics. |
| 16. | Discuss the functions of money. |
