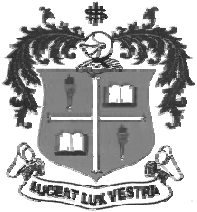


**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**



**B.A. DEGREE EXAMINATION – COMMERCE**

**FIRST SEMESTER – NOVEMBER 2013**

**EC 1101/2105 - GENERAL ECONOMICS**

Date : 07/11/2013

Dept. No.

Max. : 100 Marks

Time : 1:00 - 4:00

**Part – A**

**Answer any FIVE questions in about 75 words each.**

**(5 x 4 = 20 marks)**

1. Write a Short note on cross elasticity of demand.
2. Define National Income.
3. Write a brief note Market clearing price. .
4. State the formula to compute APC,APS, MPC and MPS
5. List out the classification of money.
6. Write a short note on velocity of money.
7. Distinguish between developmental and non- developmental expenditure.

**Part – B**

**Answer any FOUR questions in about 300 words each.**

**(4 x 10 = 40 marks)**

8. State and explain the factors determining demand and supply.
9. Explain the functions of commercial Banks.
10. Highlight the determinants of consumption and Investment.
11. State and explain quantitytheory of money.
12. Explain the process of credit creation.
13. Briefly explain the various concepts of National Income.
14. Bring outthe merits and demerits of Direct tax.

**Part – C**

**Answer any TWO questions in about 900 words each.**

**(2 x 20 = 40 marks)**

15. Explain the short- run and long -run price, output determination under Perfect competition.
16. Discuss the credit control methods adopted by monetary authorities to combat inflation and deflation.
17. Discuss the various methods of computing National Income. Bring out the difficulties involved in national income estimation.
18. “Inflation is an excess of the aggregate demand over aggregate supply”. Discuss this statement and analyze those factors which cause inflation.

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