

FOURTH SEMESTER B.A. DEGREE EXAMINATION, APRIL 2016

(CUCBCSS–UG)

Complementary Course

**ECO 3C 01 & ECO 4C 01—ESSENTIALS OF ECONOMICS - MONEY BANKING FINANCE
AND TRADE AND ESSENTIALS OF ECONOMICS—INDIAN ECONOMY**

Time : Three Hours

Maximum : 80 Marks

*Answers may be written **either** in English **or** in Malayalam.***Section A***Answer all **twelve** questions.**Each question carries $\frac{1}{2}$ mark.*

1. **If** prices rise, the direct real burden of public debt will :

(a) Also increase.	(b) Fall.
(c) Remain unchanged.	(d) None of the above.
2. Which Fiscal measure should be adopted in correcting inflationary gap ?

(a) Reduction in public expenditure.	(b) Increase in taxes.
(c) Increase in public debt.	(d) All the above.
3. The Central bank of India, **RBI**, reviews the monetary policy for every :

(a) Three months.	(b) Six months.
(c) Nine months.	(d) Twelve months.
4. Goods and Services Tax (**GST**) would replace which of the following taxes levied at present

(a) Capital gains tax.	(b) Income tax.
(c) Corporate tax.	(d) Value Added Tax (VAT).
5. Who regulates the money circulation in India

(a) State Bank of India.	(b) Commercial Banks.
(c) NABARD .	(d) Reserve Bank of India.
6. The incidence of tax refers to :

(a) The effect of the tax.	(b) The rate of taxation.
(c) The one who finanly bears the monetary burden of a tax.	(d) One who is immediately responsible to pay the tax.

Turn over

- (a) C. Rajagopalachari. (b) J.B. Kripalani.
(c) Balwant Rai Mehta. (d) Ashok Mehta.

8. The objectives of Indian Planning are :

- (a) Increasing National Income. (b) Reducing inequalities in income and wealth.
(c) Elimination of poverty. (d) All the above.

9. Suresh Tendulkar's panel recommendations in 2011-12 on poverty line has been revised by C. Rangarajan committee as :

- (a) Rs. 27 in rural areas Rs. 33 in urban areas.
(b) Rs. 29 in rural areas Rs. 40 in urban areas.
(c) Rs. 32 in rural areas Rs. 47 in urban areas.
(d) Rs. 40 in rural areas Rs. 45 in urban areas.

10. The first estimate of national income in India was made by :

- (a) Mahalanobis. (b) V.K.R.V. Rao.
(c) Dadabhai Naoroji. (d) Shirras.

11. The budget is presented to the Parliament on :

- (a) The last day of February. (b) 15th March.
(c) The last day of March. (d) 1st April.

12. According to Reserve Bank of India's latest study, which one of the following states ranks as the best performing state in most of the key Fiscal parameters ?

- (a) Gujarat. (b) Kerala.
(c) Chattisgarh. (d) Maharashtra.

(12 x2 = 6 marks)

Section B (Very Short Answer Type Questions)

Part I

Answer any five questions.

13. Compare the attribute of inflation and deflation.

14. Define foreign exchange rate.

15. What is monetary policy and site various monetary policy instruments used in India ?

16. Distinguish between Public receipts and Public revenue.

17. How does currency appreciation hurt exports ?

18. Write a note on Fiscal policy.

Answer any five questions.

19. What are the important objectives of land reforms in Kerala ?
20. Define disguised unemployment.
21. What are the salient features of green revolution ?
22. What do you mean by decentralised planning ?
23. Explain the main objectives of planning in India.
24. Discuss briefly the three major elements of New Economic policies.

(10 x 2 = 20 marks)

Section. C (Short Essays)

Part I

Answer any three questions.

25. Explain Fischer's quantity theory of money.
26. Compare commercial banks with central bank.
27. What is deficit financing and explain different methods used.
28. Discuss various types of credit instruments commonly used in India.

Part II

Answer any three questions.

29. Discuss the various types of unemployment in India and their causes.
30. Critically examine economic reforms and industrial growth.
31. Compare recommendations of C. Rangarajan and S.D. Tendulkar committee on poverty estimations.
32. Examine the important factors responsible for the problem of poverty in India.

(6 x 5 = 30 marks)

Section D (Essay Questions)

Part I

Answer any one question.

33. Describe the various sources of Public Revenue.
34. Explain the role of foreign trade in economic development of a developing country.

Part II

Answer any one question.

35. Critically examine the achievements and failures of the Five Year Plans in India.
36. Discuss the major achievements and challenges in Kerala's health sector.

(2 x 12 = 24 marks)