

FOURTH SEMESTER B.A. DEGREE EXAMINATION, APRIL 2018**(CUCBCSS—UG)****Complementary Course****ECO 3C 01—ESSENTIALS OF ECONOMICS : MONEY BANKING, FINANCE AND
TRADE
AND****ECO 4C 01—ESSENTIALS OF ECONOMICS : INDIAN ECONOMY****Time : Three Hours****Maximum : 80 Marks****Section A(Objective Type Questions)****PART I.***Answer all questions.**Each question carries ½ mark.*

1. What fiscal measures should be adopted in inflation :
 - (a) Increase in public expenditure.
 - (b) Increase in taxes.
 - (c) Increase in deficit.
 - (d) All of the above.
2. Who is the chairman of the 14th Finance Commission ?
 - (a) Y.V Reddy.
 - (b) Vijay Kelkar.
 - (c) C.Rangarajan.
 - (d) Raghuram Rajan.
3. The type of inflation which occurs due to rise in wages :
 - (a) Cost push.
 - (b) Stagflation.
 - (c) Profit push.
 - (d) Hyper inflation
4. The following is not a function of commercial banks :
 - (a) Accepting deposits.
 - (b) Issue of currency.
 - (c) Advancing loans.
 - (d) credit creation.
5. The monetary policy by which the central bank purchase and sell government securities :
 - (a) Bank rate policy.
 - (b) Margin requirements.
 - (c) Open market operation.
 - (d) Credit rationing.

Turn over

6. Reducing the value of a currency in terms of foreign currency by the government is called :
- (a) Revaluation. (b) Devaluation.
(c) Depreciation (d) Appreciation.

PART II

7. Kerala's density of population according to 2011 census is :
- (a) 859/ Sq.Km. (b) 459/ Sq.Km.
(c) 998/ Sq.Km. (d) 665/ Sq.Km.
8. The period of XII five year plan was :
- (a) 2002-07. (b) 2007-12.
(c) 2012-17. (d) 1997-2002.
9. Planning commission was replaced by which institution ?
- (a) Finance Commission. (b) NITI Aayog.
(c) GST Council. (d) National Development Council.
10. Of the following, one is not a poverty alleviation programme :
- (a) MNREGA. (b) JRY.
(c) PMRY. (d) SSA.
11. A situation in which a person does not get the type of work he is capable of doing is known as ?
- (a) Structural unemployment. (b) Under employment.
(c) Natural rate of unemployment. (d) Open unemployment.
12. The first estimate of national income in India was made by :
- (a) V.K.R.V Rao. (b) P.C Mahalanobis.
(c) M.N Roy. (d) Dadabhai Naoroji.

(12 × ½ = 6 marks)

Section B (Very Short Answer Questions)

PART I

Answer any five questions.

13. What is money ?
14. Define balanced budget.

15. Distinguish between inflation and deflation.
16. What is credit creation ?
17. Why the central bank is called 'lender of last resort' ?
18. Distinguish between internal and external trade.

PART II

Answer any five questions.

19. Define structural unemployment
20. What is economic planning ?
21. State the objectives of the 12th plan.
22. What is meant by rainbow revolution ?
23. What are the elements of the New Economic Policy ?
24. State two paradoxes of Kerala's development experience.

(10 × 2 = 20 marks)

Section C (Short Essay Questions)

PART I

Answer any three questions.

25. What are the different types of inflation ?
26. What is monetary policy ? What are the various instruments of monetary policy ?
27. Examine fischer's quantity theory of exchange.
28. Briefly explain the functions of the Finance commission.

PART II

Answer any three questions.

29. Give an account of various estimates of poverty in India.
30. Explain the features of green revolution in India.
31. Examine the salient features of people plan in Kerala.
32. Evaluate the performance of service sector in India since economic reforms.

(6 × 5 = 30 marks)

Section D (Essay Questions)

PART I

Answer any one question.

33. Explain the role and functions of central bank of a country.
34. What is public expenditure and how is it classified ? Examine the causes for increase in public expenditure in recent times.

PART II

Answer any one question.

35. Explain the problems faced by Indian industries. Evaluate the impact of New economic reforms on the Industrial sector in India.
36. Critically evaluate the achievements and failure of planning in India.

(2 × 12 = 24 marks)