

C 61357-A

(Pages : 8)

Name.....

Reg. No.....

FOURTH SEMESTER B.A. DEGREE EXAMINATION, APRIL 2019

(CUCBCSS—UG)

Economics

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

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes

Total No. of Questions : 20

Maximum : 20 Marks

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

ECO 3C 01 AND ECO 4C 01—ESSENTIALS OF ECONOMICS : MONEY BANKING,
FINANCE AND TRADE AND INDIAN ECONOMY

(Multiple Choice Questions for SDE Candidates)

1. Trade as an engine of growth was propounded by :
(A) Hirschman. (B) Nurkse.
(C) Marshall. (D) Robinson.
2. Normal rate quoted in foreign exchange market is :
(A) Arbitrage. (B) Balance of trade.
(C) Exchange rate. (D) Price rate.
3. Invisible item are the part of ———— account of balance of payment.
(A) Current. (B) Capital.
(C) Merchandise. (D) None of the above.
4. Taxes raised are credited into :
(A) Public Accounts. (B) Consolidated Fund.
(C) Contingency Fund. (D) Private Accounts.
5. The concept of functional finance was first developed by :
(A) Hugh Dalton. (B) Taussig.
(C) A.P. Lerner. (D) None of the above.
6. "The Law of Increase of state Activities" was explained by :
(A) Dalton. (B) A.C. Pigou.
(C) Adolph Wagner. (D) None of the above.
7. The first Industrial Policy Resolution was passed in India in :
(A) 1948. (B) 1950.
(C) 1947. (D) 1958.

8. The latest Index of Industrial Production(IIP] is based on :
- (A) 2004-05. (B) 1993-94.
(C) 1965-66. (D) 1963-64.
9. The growth rate of service sector in 2011-12 is :
- (A) 3.3 %. (B) 9.4 %.
(C) 10.5 %. (D) 6.3 %.
10. Economic reforms were first introduced in India in :
- (A) 1947. (B) 1950.
(C) 1991. (D) 2001.
11. The Couple protection rate in Kerala according to the 2011 estimates :
- (A) 62.3%. (B) 52%.
(C) 48%. (D) 58%.
12. The literacy rate of Kerala in 2011 :
- (A) 91.91. (B) 90.92.
(C) 93.91. (D) 95.94.
13. The threats to Tourism industry in Kerala does not include :
- (A) Global warming. (B) Changing weather patterns.
(C) Safety. (D) All.
14. The leading district for domestic and foreign tourist arrival is :
- (A) Thiruvananthapuram. (B) Ernakulam.
(C) Palakkad. (D) Thrissur.
15. The strategy of rolling plan was adopted during the Prime Ministership of :
- (A) Lai Bahadur Shastri. (B) Indira Gandhi.
(C) Morarji Desai. (D) Rajiv Gandhi.

Turn over

16. Who among the following authored the book 'Planned Economy for India' in 1934 :
- (A) D.R. Gadgil. (B) M.N. Roy.
(C) M. Viswesvaraya. (D) V.K.R.V. Roy.
17. The steel plants at Durgapur, Bhilai and Rourkela were established during the period of :
- (A) First Five Year Plan. (B) Second Five Year Plan.
(C) Third Five Year Plan. (D) Fourth Five Year Plan.
18. The term 'Hindu rate of growth' refers to the 3.70% per annum growth rate achieved by the Indian economy over the first six Five Year Plans'. The term was coined by :
- (A) J.N. Bhagwati. (B) K.N. Raj.
(C) Raj Krishna. (D) Sukhamoy Chakravarty.
19. People are said to be suffered from "money illusion" since :
- (A) People merely consider with nominal money holdings.
(B) People consider the real money balances.
(C) Both (A) and (B).
(D) None of the above.
20. Which of the following is a concept of 'broad money' ?
- (A) M1. (B) M2.
(C) M3. (D) All of the above.

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Economics

ECO 3C 01 and ECO 4C 01—ESSENTIALS OF ECONOMICS : MONEY BANKING,
FINANCE AND TRADE AND 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 ½ mark.*

1. Who is the present Governor of RBI ?
 - (a) Raguram Rajan.
 - (b) Urjith Patel.
 - (c) Montek Singh Ahluwalia .
 - (d) None of these.
2. MGNREGS stands for :
 - (a) Mahatma Gandhi National Rural Employment Generation Scheme.
 - (b) Mahatma Gandhi Nutrition and Rural Employment Generation Scheme.
 - (c) Mahatma Gandhi National Rural Employment Guarantee Scheme.
 - (d) None of the above.
3. Ratio between supply of money and highpowered money is :
 - (a) Money supply.
 - (b) Money multiplier.
 - (c) Demand for money.
 - (d) Neutral money.
4. Bank decides to take coercive measures against a Commercial bank is called :
 - (a) Moral suasion.
 - (b) Direct action.
 - (c) Credit rationing.
 - (d) Margin.
5. The difference between direct and indirect tax lies in :
 - (a) Impact.
 - (b) Shifting.
 - (c) Incidence.
 - (d) Both shifting and incidence.

Turn over

6. During the periods of inflation the government should aim at :
(a) Deficit budgets. (b) Balanced budgets.
(c) Surplus budgets. (d) Zero budget.
7. The concept of functional finance assigns a key role to control cyclical fluctuations in the economy :
(a) Fiscal policy. (b) Monetary policy.
(c) Compensatory fiscal policy. (d) Debt redemption.
8. Law of increase of state activities was stated by :
(a) Adam Smith. (b) Adolf Wagner.
(c) Pigou. (d) J.B. Say.
9. When taxes are mildly progressive, it is a :
(a) Progressive. (b) Proportional.
(c) Regressive. (d) Degressive.
10. Increase in the external value of the domestic currency in terms of other currencies is called :
(a) Depreciation. (b) Revaluation.
(c) Devaluation. (d) Appreciation.
11. The vent for surplus theory has been provided by :
(a) Ricardo. (b) Adam Smith.
(c) Leontief. (d) Hecksher Ohlin.
12. When a duty is levied as percentage of the total value of the imported commodity is called ?
(a) Specific duty. (b) Advalorem duty.
(c) Imported duty. (d) Exported duty.

(12 × ½ = 6 marks)

Section B (Very Short Answer Type Questions)

PART I

Answer any **five** questions.

13. Distinguish between demand pull and cost push inflation.
14. Explain the determinants of money multiplier.
15. Explain money as a liquid asset.
16. What are the causes of fluctuations in exchange rate ?
17. What are the functions of credit instruments in the banking system ?

18. What are the merits and demerits of indirect taxes ?

PART II

*Answer any **five** questions.*

19. What are types of unemployment in India ?
20. How to reduce the problem of inequality in Indian economy ?
21. What are the socio economic objectives of five year plans in India ?
22. What are the features of the agricultural sector in Indian economy ?
23. Explain the structural changes in Kerala economy.
24. What are the objectives of land reforms in Kerala ?

(10 × 2 = 20 marks)

Section C (Short Essays)

PART I

*Answer any **three** questions.*

25. Critically examine Fischer's quantity theory of money.
26. Explain the role of commercial banks in a developing economy.
27. What are the methods of redemption of public debt ?
28. Explain the effects of devaluation on exports.

PART II

*Answer any **three** questions.*

29. What are the achievements of land reforms in India ?
30. Explain new industrial policy of 1991.
31. What are the measurements of poverty ?
32. Explain the achievements of educational sector in Kerala.

(6 × 5 = 30 marks)

Section D (Essay Questions)

PART I

*Answer any **one** question.*

33. Discuss the different methods of credit control used by the Reserve Bank of India.
34. What are the various sources of public revenue ?

PART II

*Answer any **one** question.*

35. Explain the impact of economic reforms on Indian agricultural sector.
36. Describe the role of migration in the development of Kerala economy.

(2 × 12 = 24 marks)