

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE
 Fifth Semester BA Economics Degree Examination, November 2017
ECO5B07 – Macro Economic Theory
 (2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

PART A**Answer All Questions. Each question carries ½ marks****Multiple choice questions**

Which one of the following is not an obstacle to full employment to classical theory

- | | |
|-------------------------------------|---------------------|
| a) Liquidity trap | b) Price rigidity |
| c) Excess of saving over investment | d) Wage flexibility |

The word Macro was first used in economics by:

- | | |
|--------------|-----------------|
| a) Keynes | b) Ragnar Frish |
| c) J.R Hicks | d) Marshall |

Which of the following is not a flow variable?

- | | |
|-----------|---------------|
| a) Income | b) Wealth |
| c) Saving | d) Investment |

GNP does not include which of the following:

- | | |
|---------------------------|--|
| a) Depreciation allowance | b) Transfer payments |
| c) Net income from abroad | d) Imputed value of owner occupied house |

Fill in the blanks

The reciprocal of MPS is -----

The MPC + MPS is equal to -----

Liquidity preference is interest-----

3. The effect of falling prices on real wealth and consumption expenditure is-----

Answer in a word or sentence

9. Stocks & flows

10. NNP

11. Say's law of market

12. Multiplier

(12x ½ = 6 Marks)

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PART B

Very short answer questions - Answer any 10. Each question carries 2 marks.

13. Discuss the concept of effective demand.
14. What is Keynesian psychological law of consumption?
15. Discuss the importance of Macroeconomics.
16. Differentiate GNP & NNP.
17. Enumerate the major causes of unemployment in India.
18. How can you distinguish MEC from MEI?
19. State Absolute Income Hypothesis.
20. What is Liquidity Trap?
21. Phillips Curve
22. Permanent Income Hypothesis
23. Dependent and Independent variable
24. What do you mean by 'Classical Dichotomy'?

(10 x 2= 20)

PART C

Short Essay Type Questions - Answer Any 6 Questions. Each question carries 5 marks.

25. Illustrate the working process of foreign trade multiplier.
26. What are the selective credit control measures?
27. Write a note on investment function.
28. Critically examine the classical theory of employment & output determination.
29. How is national income calculated? What are the difficulties in its correct measurement?
30. Can you trace out the important instruments of fiscal policy?
31. Distinguish between inside & outside money?
32. How can you distinguish macroeconomics from microeconomics? Explain the significance and importance of macroeconomics?

(6 x 5= 30)

PART D

Essay Type Questions - Answer Any 2 Questions. Each question carries 12 marks.

33. Explain the Keynesian theory of employment. Show how Keynes proves that equilibrium can be achieved at a point much below the point of full employment.
34. Critically examine the basic tenants of Life Cycle Hypothesis.
35. Discuss the major classical postulates and compare their views with Keynesian principles.
36. What is business cycle? Explain elaborately the different phases of business cycle.

(2 x 12= 24)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE
Fifth Semester BA Economics Degree Examination, November 2017
ECO5B08– India's Economic Development, National & Regional
(2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

Section A

Choose the correct answer. Answer all questions.

1. Present RBI Governor is
a. Raghuram Rajan b. Subharao c. Urjit Patel
2. Father of Indian Green Revolution is
a. MS Swaminathan b. Amartya Sen c. Chidambaram
3. The Planning Commission came into being in the year
a. 1948 b. 1949 c. 1950
4. transcend national frontiers
a. MNCs b. Business entities c. Industrialists
5. The Economic Advisor to the Prime Minister is
a. Aravind Subramanian b. Vijay Kelkar c. Arun Jaitley
6. The practice of meeting government expenditure with new money is called
a. Open market operation b. deficit financing c. credit creation
7. Minimum support price is an example for
a. Agricultural price b. market mechanism c. administered pricing
8. ends tax differences between states in India
a. GST b. VAT c. Customs duties
9. State with highest development in India as per HDI is
a. Punjab b. Gujarat c. Kerala
10. publishes HDR
a. WTO b. UNDP c. UNICEF
11. Food Security Act was passed in the year
a. 2000 b. 2012 c. 2013
12. replaced the Planning Commission of India
a. RBI b. CSO c. NITI Aayog

(12 x ½ = 6 Marks)

Section B

Very short answer questions. Answer any ten questions

13. Poverty line
14. Cropping pattern
15. Mixed economic framework
16. Privatization
17. Industrial sickness
18. Deficit financing
19. Import substitution
20. Absolute and relative poverty
21. Industrial policy resolution of 1956
22. PQLI
23. Return migration
24. Emigration and immigration

(10 x 2=20 Marks)

Section C

Short essay questions: Answer any six

25. What is industrial sickness?
26. What are the causes of unemployment in India?
27. What is globalisation?
28. Briefly explain the role of Finance Commission in India
29. Explain FDI and FII.
30. Explain MGNREGA.
31. Briefly explain the broad objectives of planning in India
32. What are the factors responsible for introducing NEP in India?

(6 x 5=30 Marks)

Section D

Essay questions. Answer any two

33. What is colonialism? Explain its impact on Indian economy.
34. Explain briefly the sustainability of the Kerala model of development. How Sen Bhagawati debate attributes to it?
35. What is structural adjustment programme? Explain the impact of New Economic Policy in India.
36. What is Green Revolution? Explain its importance.

(2 x 12=24 Marks)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE
Fifth Semester BA Economics Degree Examination, November 2017
ECOSB09– Economics of Capital Market
 (2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

Part A

Multiple Choice Questions-Answer All

1. Primary market is a part of
 a) Long term loan market b) Industrial securities market
 c) Gilt-edged market d) All of these
2. Which one of the following is not the feature of pure intangible asset?
 a) Patent b) Promissory note
 c) Copy right d) Trade mark
3. Which one of the following need of a company will be addressed by the capital market?
 a) Need for depreciation b) Need for debt servicing
 c) Need for plant expansion d) Need for paying wages and allowances
4. The securities market of India was regulated bybefore SEBI
 a) Controller of Capital Issues b) RBI
 c) Ministry of Finance d) Securities and Exchange Commission
5. FCCB is
 a) Converted bond issued in foreign currency
 b) Convertible bond issued in foreign currency
 c) Converted bond issued in domestic currency
 d) Convertible bond issued in domestic currency
6. Which is the first mutual fund in India?
 a) UTI Mutual Fund b) SBI Mutual Fund
 c) Canara Bank Mutual Fund d) PNB Mutual Fund
7. When a company enters capital market with a public issue,
 a) Only individuals can buy b) Banks and insurance companies can't buy
 c) No institutional investor can buy d) All investors can buy
8. Price at which new shares are offered to the public is
 a) Market price b) Selling price
 c) Issue price d) Bid price
9. Which of the following is the primary step in capital market trading?
 a) Listing b) Initial Public Offering c) Follow-on public offering d) Right issue
10. FTSE is a
 a) Depository participant b) Stock index
 c) Method of stock issue d) Credit rating agency
11. The share which has been converted into electronic format is called
 a) Demat share b) Redeemable share
 c) Right share d) E-share
12. is a firm or individual that executes buying or selling of shares as per the order of investors
 a) Underwriter b) Broker c) Merchant banker d) Depository participant

(12x ½ =6 marks)

Part B

Very Short Answer Questions-Answer Any Ten

13. What is meant by contractual claim?
14. Differentiate between money market and capital market
15. How the financial system in a country is catering its economy?
16. Name any four currently functioning stock exchanges in India
17. What are the features of partly convertible debenture?
18. Identify the sensitivity in India's famed stock market index of 'SENSEX'
19. What is the role of Lead Managers in securities market?
20. Write the official websites of any four institutions directly related to Indian capital market
21. Distinguish between public issue and private issue in capital market
22. Draw a chart depicting the process of issuing IPOs
23. What is 'NASDAQ'?
24. What are the advantages of investing in mutual funds?

(10 x 2=20 marks)

Part C

Short Essay Questions-Answer Any Six

25. Bond or equity: Which one of these will be the favourite option for risk loving investors? Why?
26. Name any five blue chip companies in India's stock market. What are the features of such companies?
26. What are the similarities between domestic and foreign institutional investors?
27. Check the possibility of Global Depository Receipts (GDR) in a protected economy
28. What are the functions of capital market in a developing economy?
29. Examine the significance of underwriters in primary market
30. What are the basic contents in red herring prospectus of a security issuer company?
31. Describe the role and significance of NSDL and CDSL in India's securities market?
32. Briefly explain the advantages of investors in OTCEI

(6 x 5=30 marks)

Part D

Essay Questions-Answer Any Two

33. 'SEBI is the watchdog of Indian capital market'. Discuss this statement in the context of its role and recent actions in India's capital markets.
34. Give the structure, features and functioning of Bombay Stock Exchange (BSE).
35. How the financial system of a developed economy is different from that of a developing economy like India? Compare
36. What are the different methods of issuing securities in new issues market? Describe.

(2 x 12=24 marks)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE
 Fifth Semester BA Economics Degree Examination, November 2017
ECO5B10– International Economics
 (2015 Admission onwards)

Max. Time: 3 hours

Max. Marks: 80

Section A (Multiple Choice Questions)

Answer all the questions

1. WTO was established in the year
 a) 1994 b) 1995 c) 1976 d) 1945
2. The Headquarters of SAARC is located at
 a) New Delhi b) Kabul c) Kathmandu d) Colombo
3. Third degree price discrimination is also known as
 a) Trade Creation b) Cartel c) Dumping d) J- Curve Effect
4. Which among the following is a Non Trade barrier?
 a) Custom duty b) Advalorem duty c) VER d) Specific duty
5. Arbitrage is associated with
 a) Foreign Currency b) Foreign Diplomacy c) Exports d) Dumping
6. Purchasing Power Parity Theory was developed by
 a) Bellasi b) Gustav Cassel c) Jagadeesh Bhagawathy d) Alex Hamilton
7. Import Quota is meant for
 a) To limit imports b) to restrict foreign trade c) as a retaliatory device d) all of the above
8. Free Trade means
 a) Trade with internal restrictions only b) trade with external restrictions
 c) Trade free of cost d) Trade with no man made restrictions
9. J-Curve Effect is associated with
 a) Cartels b) Devaluation c) Customs Union d) Tariff
10. India signed the IMF Agreement in
 a) 1945 b) 1944 c) 1946 d) 1947
11. OPEC is an example of
 a) Trade Diversion b) International Cartel c) Economic Integration d) Free Trade
12. The Modern Theory of International Trade is popularly known as
 a) Marshal Lerner Condition b) H²O Theorem
 c) Intra Industry Trade d) Snake in a Tunnel

(12x ½ = 6 Marks)

Section B (Very Short Answer Questions)

Answer any ten questions

13. Write a short note on European Union
14. Explain the concept of Leontiff Paradox
15. What are the functions of Foreign Exchange Market?
16. What do you mean by Dumping?
17. Write a brief note on Open Economy
18. Give any two components of Foreign Exchange Market
19. What do you mean by Flexible Exchange Rate?
20. Brief the concept of Revaluation
21. What is Reciprocal Demand?
22. What do you mean by Export Subsidy?
23. What is Double Factoral Terms of Trade
24. Explain Specific Duty

(10 x 2=20 Marks)

Section C (Short Essays)

**Answer any six of the following questions in one and half pages each
(Not exceeding 150 words)**

25. Explain the arguments against Free Trade
26. What are the various methods of Trade Restriction?
27. Distinguish between Fixed and Flexible Exchange Rate
28. Explain the important functions of IMF
29. Enumerate on the concept of Economic Integration
30. Elucidate the major arguments in favour of Flexible Exchange Rate
31. Explain the difference between FDI and FPI
32. Differentiate the theories of Absolute and Comparative Advantage

(6 x 5=30 Marks)

Section D (Essays)

Answer any two of the following questions not exceeding four pages

33. Critically evaluate the structure and functions of Foreign Exchange Markets
34. Explain the various theories of Exchange Rate
35. 'BOP always balances'. Comment. What are the measures to correct disequilibrium in BOP?
36. Critically elucidate the Hecksher Ohlin Theory of International Trade.

(2 x 12=24 Marks)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

Fifth Semester BA Economics (Open Course) Degree Examination, November 2017

ECO5D01- Economics In Everyday Life

(2015 Admission onwards)

Max. Time: 2 hours

Max. Marks: 40

Part A**Multiple Choice questions****Answer all questions and each carries half mark**

1. Whose opinions have revolutionized the scope of Macro Economics?
 - a) Adam Smith
 - b) J.M. Keynes
 - c) Ragner Frisch
 - d) Alfred Marshal
2. Estimates of national income in India are supplied by
 - a) NITI Ayog
 - b) Central Statistical Organization
 - c) Reserve Bank of India
 - d) Ministry of Finance
3. Inflation occurs whenever
 - a) The price level rises.
 - b) The money supply increases.
 - c) The price level rises continuously over a period of time.
 - d) The price level falls continuously over a period of time.
4. The term National income represents
 - a) GNP at market prices minus depreciation
 - b) GNP at market prices minus depreciation plus net factor income from abroad
 - c) GNP at market prices minus depreciation and indirect taxes plus subsidies
 - d) GNP at market prices minus net factor income from abroad.
5. If the cross elasticity of demand for a commodity is Positive, then commodities are
 - a) Substitute goods
 - b) Complementary goods
 - c) Inferior Goods
 - d) Superior goods
6. The Bank Rate Policy is a component of
 - a) Fiscal policy
 - b) Monetary policy
 - c) Trade policy
 - d) Direct control

(6 × ½ = 3 Marks)

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Part B

(Very Short Answer Questions)

Answer any five and each question carries 2 marks

7. Welfare Definition of Economics
8. Multinational Corporations
9. Cross elasticity of demand
10. Repo rate and Reverse
11. Merger and Acquisition
12. Balance of Payment and Balance of Trade
13. Monetary Policy
14. Fiscal deficit and Primary deficit

(5×2 = 10 Marks)

Part C

(Short Essay Questions)

Answer Any Three and each question carries 5 marks

15. Differentiate between Micro and Macro Economics.
16. Differentiate between perfectly competitive market and monopoly market.
17. What are the factors on which elasticity of demand for a commodity depends?
18. What is fiscal policy? Explain its instruments?

(3×5 = 15 Mark)

Part D

(Long Essay Questions)

Answer any one and carries 12 marks

19. What are the basic problems of an economy? How these problems are solved by different economic systems?
20. Define inflation. Explain its various types and how it affects the various segments society?

(1×12 = 12 Ma)