

**SECOND SEMESTER M.B.E. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Master of Business Economics

MBE 2C 10—BASIC ECONOMETRICS

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend all questions in each section.*
2. *The minimum number of questions to be attended from the Section/Part shall remain the same.*
3. *The instruction if any, to attend a minimum number of questions from each sub section / sub part / sub division may be ignored.*
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Part A (Multiple Choice Questions)

Answer all questions.

Each bunch of five questions carries a weightage of 1.

1. Variable whose magnitude is determined by forces internal to the model is called :
A) Dependent variable. B) Homogenous variable.
C) Exogenous variable. D) Endogenous variable.
2. Which one of the following is the goal of econometrics ?
A) Sampling. B) Data Collection.
C) Evaluation. D) Forecasting.
3. Data collected paddy production in Tamil Nadu from 2000-2019 is an example for :
A) Cross-section data. B) Panel data.
C) Time series data. D) Pooled data.

Turn over

11. In double log regression model, the regression slope gives :
- The relative change in Y for an absolute change in X.
 - The percentage change in Y for a given percentage change in X.
 - The absolute change in Y for a given change in X.
 - The relative change in Y for a unit change in X.
12. When comparing the r^2 of two regression models, the models should have the same :
- X variables.
 - Y variables.
 - Error term.
 - Beta co-efficients.
13. An observation with large residual is :
- Leverage point.
 - Outlier.
 - Influence point.
 - Missing data.
14. Which of the following measures is not suitable for out-of -sampling forecasting ?
- AIC.
 - SIC.
 - R^2 .
 - All the above.
15. If there are errors of measurement in the dependent variable Y, then the OLS estimators of the regression will be :
- Unbiased and efficient.
 - Unbiased but inefficient.
 - Unbiased and inefficient.
 - Unbiased but efficient.

(15 × 1/5 = 3 weightage)

Part B (Very Short Answer Questions)

Answer any five questions.

Each question carries a weightage of 1.

- Give an example for an econometric model.
- What is a panel data ?
- Define OLS method.
- What is meant by unbiasedness ?
- How are partial regression slope coefficient interpreted ?
- Define Heteroscedasticity.

Turn over

22. How can compound growth rate be calculated ?
 23. What is a specification error ?

(5 × 1 = 5 weightage)

Part C (Short Answer Questions)

Answer any seven questions.

Each question carries a weightage of 2.

24. What is Gauss-Markov theorem ?
 25. Mention the properties of R^2 .
 26. Explain restricted least squares.
 27. Bring out the need for Chow test in data analysis.
 28. Explain the consequences of multicollinearity.
 29. What are the sources for autocorrelation ?
 30. Write a note ANOVA model.
 31. What is piecewise linear regression ?
 32. How does Ramsey's RESET test help in identifying specification error.
 33. Explain logit model.

(7 × 2 = 14 weightage)

Part D (Essay Questions)

Answer any two questions.

Each question carries 4 weightage.

34. Describe the assumptions of OLS.
 35. Given the following data :
- $$\sum y^2 = 1000, \sum x_1^2 = 200, \sum x_2^2 = 100, \sum xy = 400, \sum x_2y = -100,$$
- $$\sum x_1x_2 = 0, \bar{Y} = 50, \bar{X}_1 = 15, \bar{X}_2 = 10, n = 28.$$
- Estimate the parameters in the equation $Y = b_0 + b_1 X_1 + b_2 X_2 + u_i$.

36. From the following data estimate the co-efficient of autocorrelation.

e_t	- 1.8	0.8	0.6	- 0.2	- 1.6	1.3	0.3
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37. Explain the consequences of model specification error.

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.B.E. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Master of Business Economics

MBE 2C 09—INTERNATIONAL TRADE

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

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Part A

Answer all questions.

Each bunch of 5 questions carries 1 weightage.

1. Identify the correct statement/s related to Dutch disease :
 - (a) It describes negative consequences that can arise from a spike in the value of a nation's currency.
 - (b) It may begin with a large influx of foreign cash to exploit a new found resource.
 - (c) Its symptoms include a rising currency value leading to a drop in exports and a loss of jobs to other countries.
 - (d) All the above.
2. _____ was the first attempt at European monetary co-operation in the 1970s, aiming at limiting fluctuations between different European currencies :
 - (a) Economic integration.
 - (b) Snake in the tunnel.
 - (c) Anti dumping duties.
 - (d) Euro currency.

Turn over

3. Which among the following theorems postulates that trade will lead to the elimination of or reduction in the pre-trade difference in relative and absolute factor prices between nations ?
- (a) Theory of absolute advantage.
 - (b) Theory of comparative advantage.
 - (c) Factor price equalization theorem.
 - (d) All the above.
4. The vent for surplus theory was formulated by :
- (a) David Ricardo.
 - (b) Adam Smith.
 - (c) J. S. Mill.
 - (d) Karl Marx.
5. Identify the correct statement related to factor price equalization theorem :
- (I) It is an economic theory given by Paul A. Samuelson.
 - (II) It states that the prices of identical factors of production will be equalized across countries as a result of international trade in commodities.
- (a) I alone is correct.
 - (b) II alone is correct.
 - (c) I and II are correct.
 - (d) I and II are incorrect.
6. Offer curve is also known as :
- (a) Reciprocal demand curve.
 - (b) Production possibility curve.
 - (c) Community indifference curve.
 - (d) None of the above.
7. Global strategic rivalry theory was based on the work of :
- (a) Paul Krugman and Kelvin Lancaster.
 - (b) Posner and Samuelson.
 - (c) Linder and Vernon.
 - (d) Porter and A. K. Sen.
8. If the tariff imposing country raises its level of income and employment at the expense of the exporting country, it is a/an :
- (a) Import substitution effect.
 - (b) Beggar thy neighbour policy.
 - (c) Dead weight loss of the tariff.
 - (d) Optimum tariff.
9. Technology Gap Theory is a model developed by :
- (a) Samuelson.
 - (b) Vernon.
 - (c) Ricardo.
 - (d) Posner.

10. For Heckscher and Ohlin, the most important cause of the difference in relative commodity prices and trade between nations is :
- (a) Technology. (b) Innovation.
(c) Demand conditions. (d) Factor endowments.
11. Ricardo's explanation of the law of comparative advantage is based on :
- (a) Labour theory of value. (b) Law of diminishing returns.
(c) Opportunity cost theory. (d) All the above.
12. Dumping refers to :
- (a) Reducing tariffs of manufactured products.
(b) Buying goods at low prices abroad and selling at higher prices locally.
(c) Sale of goods abroad at low a price, below their cost and price in home market.
(d) Sale of goods abroad higher price than the price in home market.
13. The elasticity of offer curve is measured by a ratio of :
- (a) Proportionate change in imports to proportionate change in exports.
(b) Proportionate change in exports to proportionate change in imports.
(c) Proportionate change in exports to proportionate change in value of BoP.
(d) Proportionate change in imports to proportionate change in terms of trade.
14. When imports from a lower-cost supplier from outside the union are replaced by goods from a higher-cost supplier from within, we have :
- (a) Dynamic welfare effects. (b) Trade creation.
(c) Trade diversion. (d) New protectionism.
15. Non-tariff barriers include :
- (a) Quotas. (b) Embargoes.
(c) Sanctions and levies. (d) All the above.

(15 × 1/5 = 3 weightage)

Part B

*Answer any five questions.
Each question carries 1 weightage.*

16. What is countervailing duty ?
17. Define economies of scale.
18. What is meant by arbitrage ?
19. What is Leontief paradox ?
20. What is factor intensity reversal ?

Turn over

21. Define reciprocal demand.
22. Briefly explain opportunity cost.
23. What do you mean by voluntary export restraints ?

(5 × 1 = 5 weightage)

Part C

Answer any seven questions.

Each question carries weightage of 2.

24. Define terms of trade. What are the different types of terms of trade ?
25. Explain the product cycle theory.
26. Explain factor-price equalization theorem.
27. Discuss the arguments for and against free trade.
28. Examine the meaning and significance of offer curves.
29. Prepare a note on foreign trade multiplier using suitable example.
30. What is meant by international cartel ? How do international cartels restrict trade ?
31. Critically examine the Stolper-Samuelson theorem.
32. Evaluate the role of the WTO in regulating anti-dumping measures.
33. Distinguish between trade creation and trade diversion.

(7 × 2 = 14 weightage)

Part D

Answer any two questions.

Each question carries 4 weightage.

34. Critically evaluate Heckscher-Ohlin theorem of international trade.
35. What is meant by technological progress ? Illustrate the differences between neutral, capital saving and labour-saving technical progress.
36. What are the different forms of economic integration ? Evaluate the role of SAARC in promoting the regional trade among the South Asian countries.
37. Differentiate between tariff and quota. Explain the method of measuring effective rate of protection.

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.B.E. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Master of Business Economics

MBE 2C 08—MARKETING MANAGEMENT

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

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Part A (Multiple Choice Questions)

Answer all questions.

Each bunch of five questions carries a weightage of 1.

1. Marketing relates to :
 - a) Advertising, Sales Promotion, Publicity and Public Relational activities.
 - b) Ideas, Developments, concepts and improvements.
 - c) Sales Planning, Strategy and Implementation.
 - d) A philosophy that stresses customer value and satisfaction.
2. When consumers dislike a product and are even ready to pay a price to avoid it is known as :
 - a) Latent demand.
 - b) Non-existence demand.
 - c) Negative demand.
 - d) Declining demand.

Turn over

3. Which of the following statement is true about rural marketing ?
- a) Rural Marketing consists of marketing of only inputs to the rural market.
 - b) Rural Marketing consists of marketing of only outputs from the rural markets to other geographical areas.
 - c) Rural Marketing consists of marketing of inputs to the rural market as well as marketing of outputs from the rural markets to other geographical areas.
 - d) None of the above.
4. The consumers' five steps of adopting a new product refer to which of the following ?
- a) Awareness, interest, evaluation, trial, adoption.
 - b) Awareness, promotion, evaluation, trial, adoption.
 - c) Adoption, interest, evaluation, trial, promotion.
 - d) Awareness, interest, cash cows, trial, adoption.
5. _____ develop on the basis of wealth, skills and power :
- a) Economical classes.
 - b) Purchasing communities.
 - c) Competitors.
 - d) Social classes.
6. For what does the acronym VALS stand ?
- a) Validity and likeability scale.
 - b) Vision and landscaping system.
 - c) Values and lifestyles program.
 - d) Values loading scales.
7. Which of the following is not a type of decision usually made during the product development stage ?
- a) Branding.
 - b) Product positioning.
 - c) Packaging.
 - d) Product screening.
8. Which of the following is NOT a price adjustment strategy ?
- a) Segmented pricing.
 - b) Promotional pricing.
 - c) Free samples.
 - d) Geographical pricing.
9. Mark up pricing is a pricing _____ and geographical pricing is a _____.
- a) Method, strategy.
 - b) Strategy, method.
 - c) Process, policy.
 - d) Policy, process.

10. A version of products which includes the transformations in future is said to be :
- a) Expected Product.
 - b) Augmented Product.
 - c) Generic Product.
 - d) Potential product.
11. Which of the following means placing your product or service in many outlets or Locations as possible ?
- a) Exclusive distribution.
 - b) Intensive distribution.
 - c) Selective distribution.
 - d) Direct distribution.
12. The sequence of a typical manufacturing supply chain is :
- a) Storage-Supplier-manufacturing-storage-distributor-retailer-customer.
 - b) Supplier-Storage-manufacturing-storage-distributor-retailer-customer.
 - c) Supplier-Storage-manufacturing- distributor-storage-retailer-customer.
 - d) Supplier-Storage-manufacturing-storage-retailer-distributor-customer.
13. Retailing activities resulting in transactions that occur away from a fixed store location are referred to as :
- a) Non-store retailers.
 - b) Convenience stores.
 - c) Department stores.
 - d) Supermarkets.
14. Technique in which the retailer does not process the order instead asks the manufacturer or wholesaler to ship the goods :
- a) Drop passing.
 - b) Buck passing.
 - c) Order passing.
 - d) Drop shipping.
15. The giant retailers that focus on one product category are known as :
- a) Category makers.
 - b) Category designers.
 - c) Category planners.
 - d) Category killers.

(15 × 1/5 = 3 weightage)

Part B (Very Short Answer Questions)

Answer any five questions.

Each question carries 1 weightage.

16. Define : Event marketing.
17. What do you mean by customer delight ?
18. How pricing is fixed in product decline stage ?

Turn over

19. Define : Augmented Product.
20. Give examples for derived demand.
21. What is geographical pricing ?
22. What do you mean by advertisement budget ?
23. Define : Post testing in advertising.

(5 × 1 = 5 weightage)

Part C (Short Answer Questions)

*Answer any seven questions.
Each question carries 2 weightage.*

- 24 Differentiate : Marketing from Selling.
- 25 Discuss the human factors involved in buyer behavior.
- 26 Mention the factors involved in tri-component attitude model of consumer behavior
- 27 Mention the elements of product mix.
- 28 Explain : Marketing Information Systems.
- 29 What is product bundling ?
- 30 What do you mean by product annihilation ?
- 31 Define : Umbrella brand with example.
- 32 Explain few Direct marketing tools.
- 33 Define : AIDA model of advertising

(7 × 2 = 14 weightage)

Part D (Essay Questions)

*Answer any two questions.
Each question carries 4 weightage.*

- 34 Outline the buyer behavior process for a FMCG good.
- 35 Discuss the common pricing strategies adopted in Indian market.
- 36 Classify the different types of brands with examples.
- 37 Evaluate the modes of entry into foreign markets.

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.B.E. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Master of Business Economics

MBE 2C 07—INDUSTRIAL ECONOMICS

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

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Part A

Answer all questions.

Each bunch of five questions carries 1/5 weightage.

1. The production cycle theory of FDI is associated with the name :
 - a) Hymer.
 - b) Vernon.
 - c) Coase.
 - d) Williamson.
2. _____ refer to international production sharing, a phenomenon where production is broken into activities and tasks carried out in different countries.
 - a) Foreign Direct Investment.
 - b) Foreign Portfolio Investment.
 - c) Global value chains.
 - d) Horizontal diversification.
3. Identify the commonly cited reasons for mergers and acquisitions :
 - a) Synergy.
 - b) Market power.
 - c) Strategic realignment.
 - d) All of the above.

Turn over

4. The transaction cost approach to the theory of the firm was created by :
- a) Ronald Coase.
 - b) Dunning.
 - c) Stigler.
 - d) Robin Marris.
5. Indirect Foreign Investment is also known as :
- a) Grants.
 - b) Concessional aid.
 - c) Portfolio investment.
 - d) Investment by MNCs.
6. In India, the Index of Industrial Production data is compiled and published by :
- a) CSO.
 - b) Ministry of Finance.
 - c) Ministry of Commerce.
 - d) NITI Aayog.
7. Primary industry does not include :
- a) Forestry.
 - b) Fishing.
 - c) Mining.
 - d) Manufacturing.
8. The determinant factors according to Porter's diamond model does not include :
- a) Factor conditions.
 - b) Demand conditions.
 - c) Product differentiation.
 - d) Firm strategy, structure and rivalry.
9. Transaction cost consists of :
- a) Search and information cost.
 - b) Bargaining cost.
 - c) Policies and enforcement cost.
 - d) All the above.
10. X - inefficiency occurs when :
- a) The price is greater than the marginal cost.
 - b) The price is greater than the average cost.
 - c) Costs are higher than they could be due to a lack of competitive pressure.
 - d) There are external cost.
11. S-C-P stands for :
- a) Structure-Conformance-Performance.
 - b) Structure-Conduct-Performance.
 - c) Structure-Conduct- Productivity.
 - d) Strategy- Competition-Profitability.

12. Product differentiation :
- a) Provides economic benefits. b) Helps achieve a higher price point.
 c) Promotes brand loyalty. d) All the above.
13. Two measures of market concentration include :
- I) Lorenz ratio. II) Concentration ratio.
 III) Herfindahl-Hirschman Index. IV) Strategic entry deterrence.
- a) I and II. b) II and III.
 c) I and II and IV. d) I, II, III and IV.
14. Which among the following is not a transfer pricing method/s ?
- a) Comparable uncontrolled price method.
 b) Value added method.
 c) Resale price method.
 d) Transactional net margin method.
15. Williamson describes the following types of asset specificity except :
- a) Physical asset specificity. b) Human asset specificity.
 c) Temporal specificity. d) Strategic asset specificity.

(15 × 1/5 = 3 weightage)

Part B

Answer any five questions.

Each question carries a weightage of 1.

16. Define conglomerate FDI.
17. What is meant by signal effect ?
18. What is diversification ?
19. Define small-scale industries.
20. What are the different types of market structure ?
21. What is the relationship between product differentiation and non price competition ?
22. What is the meaning of global value chain ?
23. What is meant by vertical integration ?

(5 × 1 = 5 weightage)

Turn over

Part C

Answer any seven questions.

Each question carries a weightage of 2.

24. Discuss the meaning and types of transfer pricing.
25. What are MNCs ? Discuss the impact of MNCs.
26. Explain interrelationships between industries using input-output analysis.
27. How do you classify industries ? Differentiate between primary, secondary and tertiary industries.
28. Distinguish between Foreign Direct Investment and Foreign Institutional Investment. Give examples.
29. Explain the meaning and significance of S-C-P paradigm.
30. Explain market concentration using suitable example.
31. Discuss the importance of foreign investment in Indian economic development. What are the problems of promoting FDI in India ?
32. What is meant by industrial sickness ? Identify the causes of industrial sickness.
33. Examine Robbin Marris growth model.

(7 × 2 = 14 weightage)

Part D

Answer any two questions.

Each question carries a weightage of 4.

34. Discuss important theories of FDI.
35. What are barriers to entry ? Discuss different types of barriers to entry. Highlight barriers to entry in different market structures.
36. Explain Managerial Discretion Theory.
37. Discuss the significance of R&D and innovation. Examine Schumpeterian paradigm.

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.B.E. DEGREE [REGULAR/SUPPLEMENTARY]
EXAMINATION, APRIL 2022**

(CBCSS)

Master of Business Economics

MBE 2C 06—MACRO ECONOMIC ANALYSIS

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

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Part A

Answer all questions.

Each bunch of five questions carries 1 weightage.

1. According to Keynes, _____ is the cause of involuntary unemployment.
 - a) Wage-price flexibility.
 - b) Wage rigidity.
 - c) Recessionary gap.
 - d) None of these.
2. The slope of IS curve is greater when :
 - a) The value of expenditure multiplier is lower.
 - b) The behavioral coefficient has a larger value.
 - c) The value of expenditure multiplier is larger.
 - d) The interest rate is flexible.

Turn over

3. The school which argues that *market does not clear always in spite of individuals working for their own interest* is known as :
- a) Monetarist school.
 - b) Keynesian school.
 - c) Neo classical school.
 - d) New Keynesian school.
4. The concept of 'inside money and outside money' has been suggested by :
- a) Milton Friedman.
 - b) J. M. Keynes.
 - c) Gurley and Shaw.
 - d) James Duesenberry.
5. Permanent wealth hypothesis is otherwise called :
- a) Permanent income hypothesis.
 - b) Relative income hypothesis.
 - c) Life cycle hypothesis.
 - d) Absolute income hypothesis.
6. Okun's Law deals with:
- a) Positive relationship between inflation and GDP.
 - b) Positive relationship between unemployment and real GDP.
 - c) Negative relationship between unemployment and real GDP.
 - d) Negative relationship between inflation and nominal GDP.
7. The long run aggregate supply curve is :
- a) Horizontal.
 - b) Vertical.
 - c) Rectangular hyperbola.
 - d) Flatter U shaped.
8. Who holds the view that Keynesianism as temporary deviation from the mainstream of scientific progress in economics ?
- a) Monetarists.
 - b) New classical macroeconomists.
 - c) New Keynesians.
 - d) Neo-classicals.
9. Technological shocks according to real business cycle theory include :
- a) Innovations.
 - b) Bad weather.
 - c) Stricter safety regulations.
 - d) All the above.
10. _____ indicates that an expansionary fiscal policy may increase the interest rate and reduce investment spending:
- a) Tobin's Q ratio.
 - b) Crowding out effect.
 - c) Seigniorage.
 - d) Okun's Law.

11. Identify the wrong statement about LM curve :
- Liquidity trap region where the LM curve is horizontal.
 - The classical region where the LM curve is perfectly inelastic.
 - The classical region of LM curve is also known as the Keynesian region.
 - The intermediate region where the LM curve is positively sloped.
12. The wage inflexibility is caused due to :
- Money illusion.
 - Institutional reason.
 - Both a) and b).
 - None of these.
13. The term efficiency wages was introduced by :
- Alfred Marshall.
 - James Duesenberry.
 - J M Keynes.
 - Adam Smith.
14. Identify the correct statement related to monetarist school :
- Monetarists believe that the role of government is to control inflation by controlling the money supply.
 - Monetarists believe that markets are typically clear and participants have rational expectations.
 - Monetarist reject the Keynesian notion that government can manage demand.
 - All the above.
15. Who among the following has associated business cycles to the growth theory of Harrod-Domar ?
- Hicks.
 - Hayek.
 - Kaldor.
 - Hawtrey.

(15 × 1/5 = 3 weightage)

Part B

Answer any five questions.

Each question carries 1 weightage.

- Define natural rate of unemployment.
- What does DMP model describe ?
- Briefly explain Tobin's Q ratio.
- What is meant by Laffer curve ?
- Distinguish between fixed and flexible exchange rates.

Turn over

21. Define supply shock.
22. What is non-accelerating inflation rate of unemployment ?
23. Prepare a short note on Lucas critique.

(5 × 1 = 5 weightage)

Part C

Answer any seven questions.

Each question carries weightage of 2.

24. Explain Wicksell's over-investment theory.
25. Define fiscal policy. How does fiscal policy affect the budget deficit ?
26. Illustrate Samuelson's model of multiplier accelerator interaction.
27. Examine the meaning and features of supply side economics.
28. Examine the rational expectations theory.
29. What is meant by real business cycle theory ? Point out major propositions of the real business cycle model
30. Define MPC. Explain the significance of MPC.
31. Discuss the structural theory of inflation.
32. Explain Mundell Fleming Keynesian model.
33. Distinguish between ratchet effect and demonstration effect.

(7 × 2 = 14 weightage)

Part D

Answer any two questions.

Each question carries 4 weightage

34. Distinguish between inflation and stagflation. Evaluate the relation between inflation and unemployment in short run and long run using Phillips curve.
35. Compare and contrast the relative income hypothesis and permanent income hypothesis.
36. Derive IS and LM curves and explain IS-LM general equilibrium. Analyze the relative effectiveness of monetary and fiscal policies with the help of IS-LM model.
37. Discuss the development of new classical macroeconomics. Examine the implications of new classical macroeconomics

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Business Economics

BEC 2C 08—BUSINESS STATISTICS

(2020 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

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Part A

Answer all fifteen questions.

(Multiple Choice Questions)

1. In the development of statistical methods the greatest contribution is that of :
 - a) Economists.
 - b) Mathematicians.
 - c) Businessmen.
 - d) Scientists.
2. The term error in statistics refer to :
 - a) Mistakes.
 - b) Bias.
 - c) Difference between retained value and true value.
 - d) None of these.
3. Statistical measure of a given population is known as :
 - a) Sample statistic.
 - b) Population parameter.
 - c) Population mean.
 - d) None of these.

Turn over

4. A statement that is accepted if the sample data provide sufficient evidence that the null hypothesis is false is called :
- a) Simple hypothesis.
 - b) Composite hypothesis.
 - c) Statistical hypothesis.
 - d) Alternative hypothesis
5. The probability associated with committing type-I error is :
- a) β .
 - b) α .
 - c) $1 - \beta$.
 - d) $1 - \alpha$.
6. If two events are independent, then :
- a) They must be mutually exclusive.
 - b) The sum of their probabilities must be equal to one.
 - c) Their intersection must be zero.
 - d) None of these alternatives.
7. Binomial distribution can be applied when :
- a) The random experiment has two outcomes, which can be called success and failure.
 - b) Probability for success in single trial remains constant from trial to trial of the experiment.
 - c) The experiment is repeated finite no. of times.
 - d) All of the above.
8. Whenever using the t distribution in estimation, we must assume that :
- a) The sample size is at least 30.
 - b) The sampling distribution is approximately normal.
 - c) The population is approximately normal.
 - d) The finite population correction factor is necessary.
9. The expected value of random variable is :
- a) Standard deviation.
 - b) Mean.
 - c) Mode.
 - d) Mean deviation.
10. Probable error is :
- a) 0.6745 S.E.
 - b) 0.6457 S.E.
 - c) 0.6753 S.E.
 - d) 0.7375 S.E.
11. The regression line cut each other at the point of :
- a) Average of X and Y.
 - b) Average of X only.
 - c) Average of Y only.
 - d) None of these.

26. Explain conditional probability with suitable example.
27. What do you mean by binomial distribution ? Explain the importance of binomial distribution.
28. Describe chi-square test of significance and state its various uses.
29. The coefficient of rank correlation of the marks obtained by 10 students in statistics and accountancy was 0.2. It was later discovered that the difference in ranks in the two subjects of one of the students was wrongly taken as 7 instead of 9. Find the correct result.
30. What is simple, multiple and partial correlation ?
31. Distinguish between Correlation and Regression.
32. How does analysis of time series help in business forecasting ?
33. Distinguish between the secular trend and periodic movement of time series.

(7 × 2 = 14 weightage)

Part D (Essay Questions)

Answer any two questions out of four questions.

34. What is the significance of hypothesis testing ? Discuss the hypothesis testing procedure.
35. What is the importance of normal distribution in statistics ? Give all important properties of normal distribution.
36. (i) Explain different methods of studying correlation ?
(ii) Compute Spearman's rank correlation for the following observations :

Candidates	1	2	3	4	5	6	7	8
Judge X	20	22	28	23	30	30	23	24
Judge Y	28	24	24	25	26	27	32	30

(Marks are awarded out of 35)

37. (i) Explain method of least squares in time series.
(ii) Obtain the equation of straight-line trend for the following data :

Year	2011	2012	2013	2014	2015	2016	2017
Production ('000 units)	80	90	92	83	94	99	92

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Business Economics

BEC 2C 07—MARKETING THEORY AND PRACTICE

(2020 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend all questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
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Part A (Multiple Choice Questions)

Answer all 15 questions.

Each question carries a weightage 1/5.

1. Market where there is no physical delivery of goods :
 - (a) Future market.
 - (b) Spot market.
 - (c) Perfect market.
 - (d) None of these.
2. _____ influence product line decisions.
 - (a) Customer preference.
 - (b) Change in demand.
 - (c) Product specialisation.
 - (d) All of these.
3. Brands owned and developed by producers are known as :
 - (a) Manufacturer brands.
 - (b) Individual brands
 - (c) Family brands.
 - (d) Dealer.
4. Multilevel marketing is also called :
 - (a) Pyramid selling.
 - (b) Hybrid selling.
 - (c) Horizontal selling.
 - (d) None of these.

Turn over

5. Marketing research is a part of _____ stage of rural marketing strategy.
- (a) Planning. (b) Execution.
(c) Feedback. (d) None of these.
6. Customers are showing greater price sensitivity in their search for _____.
- (a) The right product. (b) The right service.
(c) Value. (d) The right store.
7. The marketing outcomes of a product is known as _____.
- (a) Profit. (b) Brand loyalty.
(c) Branding. (d) Brand equity.
8. The term Meta marketing was first used by _____.
- (a) Eugene. J. Kelly. (b) N. H. Borden.
(c) Wendell. (d) None of these.
9. When organization in the same level of a channel work on a co-operative basis , it is known as _____.
- (a) V M S. (b) S C M.
(c) Logistics. (d) HMS.
10. The process of finding and creating new uses or satisfactions for an existing product is known as _____.
- (a) Niche-marketing. (b) Re-marketing.
(c) Social marketing. (d) None of these.
11. Which of the following is NOT an element of the marketing mix ?
- (a) Distribution. (b) Product.
(c) Target market. (d) Pricing.
12. Generated increased sales by neglecting quality control, product efficiency and/or cash flow management are :
- (a) Over marketing. (b) Remarketing.
(c) Under marketing. (d) De-marketing.

13. The concept of marketing mix was developed by :
- (a) Philip Kotler. (b) Stapleton.
(c) N. H Borden. (d) Albert W Emery.
14. The technique of using the social network on the internet to create the brand image is called as _____.
- (a) Social marketing. (b) Re-marketing.
(c) Viral-marketing. (d) Synchronic marketing.
15. Market orientation is a technique of selecting :
- (a) Product integration. (b) Concentrated marketing.
(c) Additional segmentation. (d) Marketing mix.
- (15 × 1/5 = 3 weightage)

Part B (Very Short Answer Questions)

*Answer any five questions out of eight questions.
Each question carries a weightage 1.*

16. Define marketing communication.
17. Define direct marketing.
18. Define sales promotion.
19. Define marketing channel.
20. Define value chain.
21. Define packaging.
22. Define marketing.
23. Define competitor analysis.

(5 × 1 = 5 weightage)

Part C (Short Answer Questions)

*Answer any seven questions out of ten questions.
Each question carries a weightage 2.*

24. Discuss market segmentation.
25. Explain product life-cycle stages.
26. Explain marketing information system.
27. What are the different types of retailing ?

Turn over

28. What are the objectives of marketing ?
29. Elaborate on ensuring customer satisfaction.
30. What are the factors influencing consumer buying behaviour ?
31. Explain channel design.
32. Discuss sales force management.
33. What are the different price strategies ?

(7 × 2 = 14 weightage)

Part D (Essay Questions)

Answer any two questions out of four questions.

Each question carries a weightage 4.

34. What are the steps in new product development ?
35. Discuss the factors to be considered for market segmentation ?
36. "Marketing is about creation of value". Elaborate with examples.
37. Elaborate on competitive intelligence system.

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Business Economics

BEC 2C 06—PUBLIC ECONOMICS : THEORY AND PRACTICE

(2020 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend all questions in each section.*
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Part A

Answer all fifteen questions.

Each answer carries 1/5 weightage.

(Multiple Choice Questions) :

1. In proportional tax system, the rates of tax remain :
 - a) Constant.
 - b) Increasing.
 - c) Decreasing.
 - d) Zero.
2. Deficit financing may lead to :
 - a) Poverty.
 - b) Unemployment.
 - c) Inflation.
 - d) Deflation.
3. _____ refers to refusal to repay the debt.
 - a) Repudiation.
 - b) Capital levy.
 - c) Sinking fund.
 - d) None of the above.

Turn over

4. Advolorem duties are levied on :
- a) Length.
 - b) Weight.
 - c) Utilities.
 - d) Value.
5. Maximum Social Advantage is achieved when :
- a) Marginal Social Sacrifice = Marginal Social Benefit.
 - b) Total Social Sacrifice= Total Social Benefit.
 - c) Average Social Sacrifice = Average Social Benefit.
 - d) Net Social Sacrifice = Net Social Benefit.
6. Who is the exponent of the law of increasing state activities ?
- a) Dalton.
 - b) Wagner.
 - c) Seligman.
 - d) Musgrave.
7. Which of the following statements is/are correct about the Finance Commission of India ?
- 1) The eligibility of members of the Finance Commission is determined by the President.
 - 2) The first Finance Commission was constituted in 1951.
 - 3) The President of India constitutes the Finance Commission every 5 years.
 - 4) Chairman of the Finance commission submits his report to the Parliament of India.
- a) 1 and 2 only.
 - b) 2 and 3 only.
 - c) 3 and 4 only.
 - d) 1 and 4 only.
8. Fiscal Federalism refers to _____.
- a) Sharing of political power between centre and states.
 - b) Organizing and implementing economic plans across States.
 - c) Division of economic functions and resources among different layers of Government.
 - d) None of these.
9. The authorization for the withdrawal of funds from the Consolidated Fund of India must come from :
- a) The President of India.
 - b) The Parliament of India.
 - c) The Prime Minister of India.
 - d) The Union Finance Minister.
10. Which one of the following is a means of coping with a negative externality ?
- a) Emission subsidies.
 - b) Pigovian taxes.
 - c) Patents.
 - d) Copyrights.

11. Education is an example of :
- a) Public good.
 - b) Merit good.
 - c) Social good.
 - d) Club good.
12. The balanced budget principle was advocated by :
- a) Keynesians.
 - b) Mercantilists.
 - c) Classical school.
 - d) Neo-Classical school.
13. A tax either on consumers or on producers :
- a) Creates a loss only to consumers.
 - b) Creates a loss only to producers.
 - c) Creates a net gain for the society as a whole.
 - d) Creates a dead weight loss for society as a whole.
14. Which is the first country to implement GST ?
- a) USA.
 - b) UK.
 - c) Canada.
 - d) France.
15. According to Musgrave the major functions of public finance is :
- a) Allocative function.
 - b) Distributive function.
 - c) Stabilisation function.
 - d) All the above.

(15 × 1/5 = 3 weightage)

Part B (Very Short Answer Questions)

Answer any five questions out of eight questions.

Each question carries a weightage of 1.

16. What is horizontal equity ?
17. What is private good ?
18. Define revenue deficit.
19. Define VAT.
20. Define tax incidence.
21. Define indirect tax.
22. Define decentralisation.
23. Define externality.

(5 × 1 = 5 weightage)

Turn over

Part C (Short Answer Questions)

Answer any seven questions out of ten questions.

Each question carries a weightage of 2.

24. Discuss FRBM Act 2003.
25. What is public choice theory ?
26. Distinguish between direct taxes and indirect taxes.
27. Distinguish between public finance and private finance.
28. Discuss about subsidy in India.
29. Elaborate on public debt and intergenerational equity.
30. Bring out the economic impact of taxation.
31. What are the issues in decentralisation in India ?
32. Discuss about sustainability of public debt.
33. Discuss the scope of public finance.

(7 × 2 = 14 weightage)

Part D (Essay Questions)

Answer any two questions out of four questions.

Each question carries a weightage of 4.

34. Elaborate on incidence of taxes in the context of perfect competition and monopoly.
35. Describe the perspectives of Mercantilists and Classical on the role of government.
36. Discuss the major principles of taxation.
37. List sources of revenue of Union and State governments in India and their distribution in terms of productivity.

(2 × 4 = 8 weightage)

**SECOND SEMESTER M.A. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, APRIL 2022**

(CBCSS)

Business Economics

BEC 2C 05—MANAGERIAL ECONOMICS

(2020 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

General Instructions

1. *In cases where choices are provided, students can attend all questions in each section.*
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Part A (Multiple Choice Questions)

Answer all fifteen questions.

Each question carries 1/5 weightage.

1. Managerial economics deals with :
 - a) Rational solutions to problems faced by firms.
 - b) The production, distribution, and consumption of goods and services.
 - c) How individuals, businesses, governments, and nations make choices about how to allocate resources.
 - d) None of the above.
2. A recession means :
 - a) It is a virtuous cycle, with rising output triggering job gains, rising incomes, and increasing sales.
 - b) It is a vicious cycle with cascading declines in output, employment, income, and sales.
 - c) A particularly severe period of economic weakness.
 - d) A sharp and sustained declines in economic activity with high rates of unemployment and poverty.

Turn over

3. A price setting firm is :
- a) Firms' has no ability to raise price without losing all sales.
 - b) The firm loses all its sales to the other firms in the industry.
 - c) Demand curve facing a price-setting firm is horizontal.
 - d) At higher prices the firm sells less of its product, and at lower prices the firm sells more of its product.
4. Perfectly competitive firms are price takers, because :
- a) Firms do recognize competitiveness among themselves.
 - b) Each individual firm in the market is so large that it cannot affect the market price of the good or service.
 - c) Each individual firm in the market is so small relative to the total market that it cannot affect the market price of the good or service.
 - d) None of the above.
5. Demand curve facing a competitive firm is :
- a) Perfectly inelastic.
 - b) Less elastic.
 - c) Perfectly elastic.
 - d) More elastic.
6. Which among the following is not true regarding oligopoly market ?
- a) Oligopolist recognise their interdependence.
 - b) Large firms have no market power.
 - c) Market consisting of a few relatively large firms.
 - d) Each firm knows that its actions or changes will have an effect on other firms.
7. Economies of scale refers to :
- a) The cost advantage experienced by a firm when it increases its level of output.
 - b) A fall in average variable costs with an increase in output.
 - c) It reduces the per-unit fixed cost poverty.
 - d) All the above.

8. Decision tree analysis means :
- a) It is a tool that can aid the project manager to ensure the best outcome of a problem.
 - b) The process of identifying and analyzing potential issues that could negatively impact key business initiatives or projects.
 - c) A technique used to identify and assess factors that may jeopardize the success of a project or achieving a goal.
 - d) None of the above.
9. Uncertainty exists :
- a) When a decision maker cannot list all possible outcomes and or cannot assign probabilities to the various outcomes.
 - b) A manager can make a list of all possible outcomes associated with a decision and assign a probability of occurrence to each one of the outcomes.
 - c) The process of assigning probabilities to outcomes sometimes involves rather sophisticated analysis based on the manager's extensive experience.
 - d) None of the above.
10. Under monopolistic competition :
- a) The market consists of a large number of relatively small firms.
 - b) Firms that produce similar but slightly differentiated products.
 - c) Easy entry into and exit from the market.
 - d) All of the above.
11. Lerner index is a :
- a) Ratio that measures the proportionate amount by which price exceeds marginal cost.
 - b) A simple asset pricing model to measure both the risk and the return of a stock.
 - c) Base for quantitative risk analysis.
 - d) None of the above.

12. Adverse selection occurs :
- a) The risk that one party has not entered into the contract in good faith.
 - b) When there is a lack of symmetric information prior to a deal between a buyer and a seller.
 - c) Issues that arise regarding the value of an investment or product due to asymmetric information possessed by the buyer and the seller.
 - d) In the marketplace for both consumer and business products.
13. Break even analysis :
- a) The degree to which a firm possesses market power is inversely related to the elasticity of demand.
 - b) Is a financial calculation that weighs the costs of a new business, service or product.
 - c) Both (a) and (b).
 - d) None of the above.
14. The manager of a monopoly firm maximizes profit in the long run :
- a) By choosing to produce the level of output where marginal revenue equals long-run marginal cost.
 - b) When a firm can make positive profit in the short run, profit is maximized at the output level where $MR (= P) = SMC$.
 - c) Both (a) and (b).
 - d) None of the above.
15. Which among the following is true regarding the minimax regret criterion ?
- a) The decision maker calculates the minimum opportunity loss values for each alternatives.
 - b) The decision maker chooses the decision that has the highest maximum regret.
 - c) It is a technique used to make decisions under uncertainty.
 - d) None of the above.

(15 × 1/5 = 3 weightage)

Part B (Very Short Answer Questions)

Answer any five questions out of eight questions.

Each question carries 1 weightage.

16. Define Business Economics.
17. What do you mean by recovery in business cycle ?
18. Define perfect competition.
19. What is selling cost ?
20. Define average cost.
21. What do you mean by economies of scale ?
22. What is Risk ?
23. Define Externality.

(5 × 1 = 5 weightage)

Part C (Short Answer Questions)

Answer any seven questions out of ten questions.

Each question carries 2 weightage.

24. Distinguish between economics and managerial economics.
25. Briefly discuss the measurement of market power.
26. Explain the characteristics of oligopoly market condition.
27. Write a short note on diseconomies of scale.
28. Briefly explain Marris' managerial theory of firm.
29. Explain the application of break-even analysis in decision-making.
30. What do you mean by risk return indifference curve ? Explain.
31. Write a brief note on decision tree analysis.
32. Explain the problem of moral hazard.
33. Briefly discuss maximin criterion.

(7 × 2 = 14 weightage)

Turn over

Part D (Essay Questions)

Answer any two questions out of four questions.

Each question carries 4 weightage.

34. Explain the characteristics of monopolistic competition. Briefly discuss the long run equilibrium under monopolistic market condition.
35. Discuss the Cyert and March Theory of Firm.
36. Elaborate the concept of market failure. Explain the need for regulation.
37. Briefly discuss the difference between uncertainty and risk analysis. Explain their role in economic analysis.

(2 × 4 = 8 weightage)