

**R8237**

**Sub. Code**

**455201**

**M.A. DEGREE EXAMINATION, APRIL – 2023**

**Second Semester**

**Economics**

**MICRO ECONOMICS – II**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the questions.

All questions carry equal marks

1. Which one of the following is a feature of perfect competition?
  - (a) Selling cost
  - (b) Group behavior
  - (c) Homogeneous product
  - (d) Different product
2. Micro economics is also known as
  - (a) Public Economics (b) Price Theory
  - (c) Income Theory (d) demand Theory
3. Probability is sometimes defined as
  - (a) The expected profit of a fair bet
  - (b) The most likely outcome of a given experiment
  - (c) The outcome that will occur on average for a given experiment.
  - (d) The relative frequency with which an event will occur

4. People who choose not to participate in fair gambles are called
- (a) Risk takers
  - (b) Risk averse
  - (c) Risk neutral
  - (d) Broke
5. The term ceteris paribus means\_\_\_\_\_
- (a) When other things all change
  - (b) Equal access to public transportation
  - (c) Other things being equal
  - (d) For better or worse
6. Economics generally agrees that\_\_\_\_\_
- (a) Minimum wages increase the employment of low-skilled labourers
  - (b) A large budget deficit makes no significant difference
  - (c) Tariffs make people better off
  - (d) Rent ceilings cut availability of housing
7. Adverse selection occurs when there is
- (a) Full information
  - (b) Unobserved behavior
  - (c) an unobserved characteristic
  - (d) A worker who shirks because he does not watch it
8. In the case of stochastic update, what kind of equilibrium is reached?
- (a) Static
  - (b) Dynamic
  - (c) Neutral
  - (d) Equilibrium not possible

9. Compensation can be \_\_\_\_\_ benefit
- (a) Monetary
  - (b) Non-Monetary
  - (c) Monetary and Non-Monetary
  - (d) none of the above
10. Which of the pairs is of welfare economists?
- (a) Marshall and Pigou
  - (b) Marshall and J.S.Mill
  - (c) J.S.Mill and Pigou
  - (d) None of the above

**Part B**

(5 × 5 = 25)

Answer **all** questions, choosing either (a) or (b).

All questions carry equal marks

11. (a) Describe marginal productivity theory
- Or
- (b) Elucidate the Product exhaustion theorem
12. (a) Illustrate the general equilibrium analysis
- Or
- (b) Describe the two sector model in equilibrium analysis.
13. (a) Elucidate insurance industry in India.
- Or
- (b) Show the individual behaviour towards risk and uncertainty.

14. (a) Illustrate the terms Moral hazard and adverse selection.

Or

- (b) Write a note on Asymmetric information.
15. (a) Bring-out the conditions of Parato optimality.

Or

- (b) Describe the theory of second best.

**Part C**

(5 × 8 = 40)

Answer any **five** questions.

16. Illustrate the product exhaustion theorem.
17. Examine the Kaldor theory of distribution.
18. Explain the different types of input-output approaches.
19. Write an essay on the economics of insurance.
20. Illustrate game theory.
21. Examine the efficient market hypothesis.
22. Explain the Amarthiya Sen's concept related to welfare economics.
23. Illustrate the Arrows impossibility theorem.

**R8238**

**Sub. Code**

**455202**

**M.A. DEGREE EXAMINATION, APRIL – 2023**

**Second Semester**

**Economics**

**MACRO ECONOMICS — II**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** questions.

All questions carry equal marks.

1. The term business cycle refers to
  - (a) increasing unemployment
  - (b) decreasing savings
  - (c) ups and downs in the production of goods
  - (d) fluctuations in aggregate economic activity over time
  
2. Cost of living increases when business cycle is
  - (a) contracting            (b) expanding
  - (c) at peak                (d) lower point
  
3. Economic growth in India will happen necessarily if there is
  - (a) Population growth
  - (b) Capital formation
  - (c) Technical progress in the global economy
  - (d) All the above

4. The Harrod Domar growth model suggests that growth is
- (a) directly related to both capital / output ratio and inversely related to proportion and savings
  - (b) only growth of savings
  - (c) both (a) and (b)
  - (d) none of the them are correct
5. Who presented the first Union budget of Independent India?
- (a) Morarji Desai
  - (b) R.K. Shanmukham Chetty
  - (c) C.D.Deshmukh
  - (d) Yashwant Sinha
6. Who presents budget in parliament?
- (a) Prime Minister (b) President of India
  - (c) Finance Minister (d) Home Minister
7. \_\_\_\_\_ is the state of rising price.
- (a) Inflation (b) Stagflation
  - (c) Deflation (d) None of the above
8. What type of unemployment is found in India?
- (a) Structural unemployment
  - (b) Seasonal unemployment
  - (c) Disguised unemployment
  - (d) All the above
9. Sen's welfare theory relies on
- (a) Individual accomplishments
  - (b) Individual capabilities
  - (c) Individual wealth
  - (d) Individual education

10. A value of 1 in Gini index represents
- (a) Low inequality
  - (b) Maximum inequality
  - (c) Infinity
  - (d) 1% inequality

**Part B**

(5 × 5 = 25)

Answer **all** questions, choosing either (a) or (b).

All questions carry equal marks.

11. (a) Explain the types of business cycles.
- Or
- (b) Explain the phases of business cycle.
12. (a) Describe input-output ratio.
- Or
- (b) Elucidate the effects of population growth.
13. (a) Differentiate economic growth and economic development.
- Or
- (b) Distinguish between elasticity of demand and elasticity of supply.
14. (a) Explain the Keynesian theory of inflation.
- Or
- (b) Illustrate the Philips curve.
15. (a) Describe the measures of poverty in India.
- Or
- (b) Draw the Lorenz curve and explain.

**Part C**

(5 × 8 = 40)

Answer any **five** questions.

All questions carry equal marks.

16. Illustrate Hawtrey's monetary theory of the trade cycle.
17. Explain the Solow model of long-run growth model.
18. Discuss the methods of taxation.
19. Explain the characteristics of good tax system in India.
20. Illustrate the Keynes theory of the trade cycle.
21. Distinguish between absolute poverty and relative poverty.
22. Summarize the poverty alleviation programmes in India.
23. Assess the income and asset distribution in India.

---



**R8239**

**Sub. Code**

**455203**

**M.A. DEGREE EXAMINATION, APRIL – 2023**

**Second Semester**

**Economics**

**INDIAN ECONOMIC DEVELOPMENT**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the questions.

All questions carry equal marks

1. Which of the following is not a part of new economic reforms?
  - (a) Liberalization
  - (b) Centralization
  - (c) Globalization
  - (d) Privatization
  
2. The idea of a Big Push is associated with which of the following theories?
  - (a) Economic development with unlimited supply of labour
  - (b) Theory of Balanced growth
  - (c) Theory of unbalanced growth
  - (d) None of the above

3. Who is the father of Green Revolution in the World?
- (a) Norman Borlaug
  - (b) M.S Swaminathan
  - (c) Raj Krishna
  - (d) R.K.V Rao
4. \_\_\_\_\_ means removing all unnecessary controls and restrictions imposed by the government.
- (a) Privatization      (b) Globalization
  - (c) Liberalization      (d) None of the above
5. Which of the following industry is sun rising industry?
- (a) Dairy industry
  - (b) Information technology
  - (c) Health and clinic
  - (d) None of these
6. Information Technology Act in India was introduced in the year
- (a) 2003                      (b) 2001
  - (c) 2000                      (d) 2002
7. In which year was the New Education Policy announced?
- (a) 1991                      (b) 2000
  - (c) 2016                      (d) 2020
8. Which type of unemployment has the zero marginal productivity of the workers?
- (a) Seasonal unemployment
  - (b) Involuntary unemployment
  - (c) Disguised unemployment
  - (d) Structural unemployment

9. Sustainable development can be thought of in term of three spheres
- (a) Environment, Economy and Ecology
  - (b) Environment, Economy and Equity
  - (c) Environment, Economy and Efficiency
  - (d) Environment, Ecology and Society
10. Which one of the following is not an objective of fiscal policy;
- (a) Economic growth
  - (b) Economic stability
  - (c) Increase the employment level
  - (d) Regulation of financial institutions

**Part B**

(5 × 5 = 25)

Answer **all** questions, choosing either (a) or (b).

All questions carry equal marks.

11. (a) Describe the structural change in Indian economy
- Or
- (b) Illustrate the objectives of new economic policy.
12. (a) Comment on agricultural price policy.
- Or
- (b) Elucidate the importance of non-farm activities in the rural economy.
13. (a) Sketch the role of service sector in modern economic development.
- Or
- (b) Bring out the advantages of trade liberalization.

14. (a) Elucidate the role of public health services during Coivd-19.

Or

- (b) Prepare a note on SDGs.
15. (a) Describe the fiscal policy management.

Or

- (b) Write a note on NITI Aayog.

**Part C**

(5 × 8 = 40)

Answer any **five** questions.

All questions carry equal marks

16. Examine the major aspects of economic transformation of our country.
17. Explain the Green Revolution with its merits and demerits.
18. Elucidate the role of Government policy in agricultural sector.
19. Discuss the characteristics of public private partnership.
20. Investment in infrastructure is essential for more rapid economic growth — discuss.
21. Examine the demographic transition in India.
22. Analyze the unemployment trends in India.
23. Suggest the strategies for sustainable development in a developing country.

**R8240**

**Sub. Code**

**455204**

**M.A. DEGREE EXAMINATION, APRIL – 2023**

**Second Semester**

**Economics**

**INDIAN FINANCIAL INSTITUTIONS AND MARKETS**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** questions.

All questions carry equal marks

1. Which of the following is known as broad money
  - (a) M1
  - (b) M2
  - (c) M3
  - (d) M4
  
2. Which among the following is function of RBI
  - (a) Controlling inflation
  - (b) Banking supervision
  - (c) Lender of last resort
  - (d) All the above
  
3. Indian financial system comprises of
  - (a) Organized sector
  - (b) Unorganized sector
  - (c) Both (a) and (b)
  - (d) None of the above

4. Certificates of deposit are issued by
- (a) Commercial bank
  - (b) Financial Institution
  - (c) Both (a) and (b)
  - (d) None of the above
5. Which of the following is component of capital market?
- (a) Equity market
  - (b) Debt market
  - (c) Derivative Market
  - (d) All the above
6. Which of the following cannot be called a debt instrument as referred to in financial transactions?
- (a) Bonds                      (b) Stocks
  - (c) Commercial paper (d) Certificate of deposits
7. The price of one currency in terms of other currency is called
- (a) Flexible exchange rate
  - (b) Current rate of exchange
  - (c) Foreign exchange rate
  - (d) None of the above
8. Flexible exchange rate system is also known as
- (a) Pegging exchange rate system
  - (b) Floating exchange rate system
  - (c) Dirty floating
  - (d) None of the above

9. Financial derivatives include  
(a) Stocks (b) Bonds  
(c) Forward contracts (d) None of the above
10. Hedging strategy  
(a) Removes losses  
(b) Helps to reduce risk  
(c) Helps make normal profit  
(d) Helps make abnormal profit

**Part B** (5 × 5 = 25)

Answer **all** questions, choosing either (a) or (b).

All questions carry equal marks

11. (a) Write a note on money demand  
Or  
(b) Describe time value of money
12. (a) Elucidate the functions of financial system  
Or  
(b) Describe the players of Indian financial system.
13. (a) Sketch the functions of Indian money market.  
Or  
(b) Elucidate the process of initial public offer.
14. (a) Bring out the nature of FOREX market.  
Or  
(b) Provide examples of ECBs.

15. (a) Elucidate the need for derivatives.

Or

(b) Describe the risks in stock market investment.

**Part C**

(5 × 8 = 40)

Answer any **five** questions.

All questions carry equal marks

16. Explain the process of credit creation.
17. Show how RBI controls money supply in India.
18. Present an overview of Indian financial system.
19. Discuss the role and functions of regulatory bodies in Indian financial system.
20. Write an essay on secondary market in India.
21. Illustrate the stock indices and the methods of evaluation of stocks and bonds.
22. Show how foreign exchange rate is determined in India.
23. Explain the types of derivatives.



**R8241**

**Sub. Code**

**455502**

**M.A. DEGREE EXAMINATION, APRIL – 2023**

**Second Semester**

**Economics**

**Elective : ECONOMETRICS**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** questions.

1. Who is the father of econometrics?  
(a) Ragnar Frisch      (b) Adam smith  
(c) Keynes              (d) Alfred Marshal
2. In the regression function  $y = \alpha + \beta x + c$   
(a)  $x$  is the regressor  
(b)  $Y$  is the regressor  
(c)  $x$  is the regress and  
(d) none of these
3. Autocorrelation is generally occurred in  
(a) Cross-section data  
(b) Time series data  
(c) Pooled data  
(d) None of the above

4. What will be the properties of the OLS estimator in the presence of multicollinearity?
- (a) It will be consistent unbiased and efficient
  - (b) It will be consistent and unbiased but not efficient
  - (c) It will be consistent but not unbiased
  - (d) It will not be consistent
5. Demand function for a commodity is  $D = 44 - 7P$  and supply function  $S = 2P - 10$ , then the equilibrium price is:
- (a) 4
  - (b) 6
  - (c) 8
  - (d) 10
6. Formula for calculating MR
- (a)  $MR = d(TR)/dQ$
  - (b)  $Qd = Qs$
  - (c)  $MC = d(TC)/dQ$
  - (d)  $Ps = 2Q + 1$
7. For the demand function  $Q = f(p)$ , elasticity of demand is given by
- (a)  $dp/dq$
  - (b)  $dq/dp$
  - (c)  $dp/dq * p/q$
  - (d)  $dq/dp * p/q$
8. Function which map the relation between the physical measure of money and the perceived value of money is
- (a) Income
  - (b) Investment
  - (c) Demand
  - (d) Utility
9. The term Treatment refers to
- (a) The numerator degrees of freedom
  - (b) The Variation within the cells
  - (c) A source of variation
  - (d) None of the above

10. A binary variable
- (a) Is a qualitative variable
  - (b) Is a quantitative variable
  - (c) Has more than two value
  - (d) Cannot be used in a regression

**Part B**

(5 × 5 = 25)

Answer **all** questions, choosing either (a) or (b).

11. (a) Differentiate between economic model and econometric model.

Or

- (b) Elucidate the objectives and Goals of Econometrics.

12. (a) Discuss Granger causality test.

Or

- (b) Explain one of the popular tests for the detection of heteroscedasticity.

13. (a) Discuss properties of Cobb-Douglas production function.

Or

- (b) Illustrate the systems of demand functions.

14. (a) If the demand function and supply function are  $D = 50 - 10p$  and  $S = 5 + 5p$  find the price and the equilibrium level of output.

Or

- (b) Explain the situation of deficient demand in an economy with help of a diagram.

15. (a) Differentiate point prediction from interval prediction.

Or

- (b) Define integration and State the rules of co-integration analysis.

**Part C**

(5 × 8 = 40)

Answer any **five** questions.

16. The following table includes the price and quantity demanded for the product.

Quantity	16	6	8	14	16	2
(in Thousands)						
Price (in Rs.)	4	16	9	1	9	25

- (a) Estimate the demand function for the product  
 $y = \beta_0 + \beta_1 X + u$
- (b) Estimate the average price elasticity of demand.
- (c) Forecast the level of demand if Price raises to Rs.32.
17. State and prove the Statistical Properties of the OLS Coefficient Estimators.
18. Discuss the remedial measures to remove the problem of autocorrelation.
19. Find the Elasticity of Demand for the Demand Function  
 $P = -2q^2 + 18$  at  $q = 1$ .
20. Investigate the reasons for using panel data.
21. Explain random walk models without drift and with drift.
22. Examine the Phillips curve with diagrammatic representation.
23. Describe Unit Root test.