

22. Explain Gauss Markov theorem.
23. What is Multicollinearity ? What are its sources and consequences ?
24. Explain dummy variable trap.
25. Explain Probit model.
26. Write a note on reduced form equations.
27. Explain rank condition for identification.
28. How will you estimate supply function using econometric techniques ?

(10 x 2 = 20 weightage)

Part C

*Answer any three questions.
Each question carries a weightage of 4.*

29. Explain the methodology of econometrics.
30. What are the sources of Heteroscedasticity ? How to detect it ? Suggest remedial measures.
31. Explain Logit model and its estimation procedure.
32. Explain two stage least squares method.
33. How to estimate and interpret production function using econometric techniques ?

(3 x 4 = 12 weightage)

D51895

(Pages : 4)

Name.....

Reg. No.....

THIRD SEMESTER M.A. DEGREE EXAMINATION, DECEMBER 2013

(CUCSS)

Applied Economics

OPERATIONS RESEARCH FOR ECONOMIC ANALYSIS

(2012 Admissions)

Time : Three Hours

Maximum : 36 Weightage

Part A

Answer all questions.

Each bunch of four questions carries weightage 1.

A. Multiple Choice questions :

1 Likely time while drawing PERT network is based on :

- | | |
|-----------------------|----------------------|
| (a) Expected time. | (b) Optimistic time. |
| (c) Pessimistic time. | (d) All the above. |

2 Kuhn Tucker analysis deals with :

- | | |
|----------------------------|--------------------|
| (a) LPP. | (b) NLPP. |
| (c) Quadratic programming. | (d) None of these. |

3 Posterior analysis deals with :

- | | |
|--------------------|--------------------|
| (a) Bayes theorem. | (b) LPP. |
| (c) Game. | (d) None of these. |

4 Wolfers method is a method of :

- | | |
|----------------------------|--------------------|
| (a) Quadratic programming. | (b) LPP. |
| (c) Game. | (d) None of these. |

B. Multiple Choice :

5 When the player use a combination of strategies and each player always kept guessing as to which course of action is to be selected by the other player at a particular occasion then this is known as :

- | | |
|-----------------------|--------------------|
| (a) Mixed strategy. | (b) Pure strategy. |
| (c) Optimum strategy. | (d) None of these. |

Turn over

6 The positive difference between EFT and LFT is known as :

- (a) Total float.
- (b) Free float.
- (c) Independent float.
- (d) None of these.

7 In order to convert the constraint into equation, subtract the variable in the right hand side of the constraint is called :

- (a) Stock variable.
- (b) Surplus variable.
- (c) Optimum solution.
- (d) None of these.

8 EOL is the criteria of decision under :

- (a) Risk.
- (b) Certainty.
- (c) Uncertainty.
- (d) None of these.

C. Fill in the Blanks :-

9 The process of incorporating the changes and rescheduling or replanning the project is called _____

10 Expected time for each activity in PERT is calculated by _____

11 Degeneracy in LPP is known as _____

12 Interfering float is equal to _____

D. True or False :

13 The objective of LPP is to maximize profit or minimize cost.

14 North West corner rule is a method to find initial basic feasible solution of a transportation problem.

15 In network analysis activity is represented by an arrow.

16 Duality in LPP is the mirror image of primal LPP.

(16 x = 4 weightage)

Part B

Answer any **ten**, not exceeding **one page** each.

17 Explain CPM.

18 Explain constraint maximization.

19 Distinguish between slack and surplus variable.

20 Explain the nature of OR.