

**STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86**  
**(For Candidates admitted during the academic year 2019 – 2020 & thereafter)**

**SUBJECT CODE: 19EC/AC/EB25**

**B.Com. DEGREE EXAMINATION APRIL 2022**  
**CORPORATE SECRETARYSHIP**  
**SECOND SEMESTER**

**COURSE : ALLIED - CORE**  
**PAPER : ECONOMIC ENVIRONMENT OF BUSINESS**  
**TIME : 3 HOURS**

**MAX.MARKS: 100**

**SECTION A**

**ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS:**

**(10 x 2 = 20)**

1. State any two features of mixed economy.
2. What is meant by the term laissez-faire?
3. Diagrammatically depict the average selling cost in the following situations:
  - a) When selling cost is considered as a fixed cost.
  - b) When selling cost is considered as variable cost.
4. Explain low-cost price leadership.
5. Diagrammatically explain the relationship between average cost and marginal cost.
6. State the features of a private good.
7. What is Jugler cycle?
8. Give the difference between primary deficit and fiscal deficit.
9. What is free rider problem?
10. Give the meaning of the following terms:
  - a) Ad valorem tariff
  - b) Import quota
11. Differentiate between wage-induced and profit-induced inflation.
12. What is an Appropriation bill?

**SECTION B**

**ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS:**

**(5 X 8 = 40)**

13. Discuss in brief the problems of a developing economy.
14. With the help of examples discuss the features of monopolistic competition.
15. How does joint profit maximization goal work in a cartel? Explain.
16. Diagrammatically explain why prices are rigid in an oligopoly market.
17. Parliament exercises control over public expenditure in India. Elucidate.
18. Bring out the merits of a protectionist trade policy.
19. Analyse the impact of globalization on the Indian economy.
20. Give an overview of the various phases of a business cycle.

**SECTION C**

**ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS:**

**(2 X 20 = 40)**

21. Compare and contrast capitalist and socialist models of economic systems.
22. Diagrammatically explain the point of zero profit. Bring out its uses and limitations.
23. What is market failure? Discuss in detail the factors leading to market failure.
24. Explain the causes of inflation and the methods to control it.

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