

**PSG COLLEGE OF ARTS & SCIENCE**  
(AUTONOMOUS)  
**BA DEGREE EXAMINATION MAY 2025**  
(Second Semester)

Branch - **ECONOMICS**  
**MICRO ECONOMICS-II**

Time: Three Hours

Maximum: 75 Marks

**SECTION-A (10 Marks)**

Answer **ALL** questions  
ALL questions carry **EQUAL** marks

(10 × 1 = 10)

Question No.	Question	K Level	CO
1	Total Variable cost varies with _____ a) Output            b) Input            c) Demand            d) Supply	K1	CO1
2	Which cost curve is called Planning curve? a) Short Run Average cost            b) Short Run Average Fixed Cost c) Long Run Average Cost            d) Short Run Marginal Cost	K2	CO1
3	Excess Capacity is Not Available in a) Perfect Competition            b) Monopoly c) Monopolistic            d) Oligopoly	K1	CO2
4	Selling the same commodity at a lower price at one market and at a higher price at another market is a) Age Discrimination            b) Personal Discrimination c) Place Discrimination            d) Trade Discrimination	K2	CO2
5	The Shape of Demand curve under monopolistic Competition is a) Perfectly elastic            b) Inelastic c) More Elastic            d) Undefined	K1	CO3
6	The upper Portion of the Kinked demand curve is relatively a) More inelastic            b) Less elastic c) Inelastic            d) More elastic	K2	CO3
7	Quasi – Rent refers to a) Land            b) Labour c) Cost            d) Manmade appliances	K1	CO4
8	Wage Fund Theory was formulated by a) Marshall            b) Adamsmith c) J.S.Mill            d) Ricardo	K2	CO4
9	People desire to hold cash to meet unexpected expenditure is _____ motive a) The Transaction Motive            b) The Precautionary motive c) The Speculative Motive            d) The Income Motive	K1	CO5
10	_____ is an active factor a) Rent            b) Labour            c) Capital            d) Organisation	K2	CO5

Cont...

**SECTION - B (35 Marks)**Answer **ALL** questions**ALL** questions carry **EQUAL** Marks

(5 x 7 = 35)

Question No.	Question	K Level	CO
11.a.	Differentiate Accounting Cost and Economic cost.	K3	CO1
	(OR)		
11.b.	Develop the Revenue concepts.		
12.a.	Illustrate the features of perfect competition.	K2	CO2
	(OR)		
12.b.	Experiment with the Regulation of Monopoly through specific Tax.		
13.a.	Explain the Excess Capacity under Monopolistic competition.	K2	CO3
	(OR)		
13.b.	Outline Paul Sweezy model of Oligopoly.		
14.a.	Demonstrate the Marginal Productivity Theory of distribution.	K2	CO4
	(OR)		
14.b.	Discuss the Types of Rent.		
15.a.	Construct the Loanable Fund Theory.	K3	CO5
	(OR)		
15.b.	Discuss the Walkers Theory of Profit.		

**SECTION - C (30 Marks)**Answer **ANY THREE** questions**ALL** questions carry **EQUAL** Marks

(3 x 10 = 30)

Question No.	Question	K Level	CO
16	Analyze the cost and output relationship during short run and long run.	K4	CO1
17	Explain the price discrimination under Monopoly.	K4	CO2
18	Discuss the Chamberlin Large Group Model.	K4	CO3
19	Distinguish the Wage Fund and Residual claimant theory.	K4	CO4
20	Elaborate the Keynesian Liquidity Preference Theory.	K4	CO5

Z-Z-Z

END