

**PSG COLLEGE OF ARTS & SCIENCE**  
(AUTONOMOUS)

**BA DEGREE EXAMINATION DECEMBER 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)**

Module No.	Question No.	Question	K Level	CO
1	1	Money cost is also known as _____ cost (a) Explicit (b) Implicit (c) Social (d) Real	K1	CO1
	2	Opportunity cost is also called as _____ (a) Alternative cost (b) Transfer cost (c) Both (a) and (b) (d) None of these	K2	CO1
2	3	Equilibrium condition of a firm is _____ (a) $MC = MR$ (b) $MC > MR$ (C) $MC < MR$ (d) $MR = MC$	K1	CO2
	4	Under perfect competition there is _____ price prevails in the market. (a) High price (b) Low price (c) Uniform price (d) None of these	K2	CO2
3	5	_____ market in which a single producer faces a single consumer (a) Bilateral Oligopoly (b) Bilateral Monopoly (c) Monopoly (d) Oligopoly	K1	CO3
	6	Price rigidity is the attribute of _____ (a) Perfect Competition (b) Oligopoly (c) Duopoly (d) Monopoly	K2	CO3
4	7	The concept of quasi – rent is associated with _____ (a) Ricardo (b) Keynes (c) Walker (d) Marshall	K1	CO4
	8	Wages is the reward for _____ (a) Land (b) Labour (c) Capital (d) Organisation	K2	CO4
5	9	Keynes theory of interest is popularly known as _____ (a) Abstinence theory (b) Liquidity preference Theory (c) loanable fund theory (d) Agio theory	K1	CO5
	10	Residual Claimant theory is propounded by _____ (a) Keynes (b) Walker (c) Hawley (d) Knight	K2	CO5

Cont...

**SECTION - B (35 Marks)**

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Classify the cost concepts with suitable example.	K2	CO1
		(OR)		
2	12.a.	Outline characteristics of perfect competition with suitable example.	K3	CO2
		(OR)		
3	12.b.	Construct the price Discrimination under Monopoly.	K3	CO3
	13.a.	Illustrate the features of Monopolistic competition.		
4	13.b.	(OR)	K2	CO4
	14.a.	Identify the Kinked demand curve with suitable example.		
5	14.b.	Demonstrate the optimum theory if population.	K2	CO4
		(OR)		
5	15.a.	Identify the Ricardian theory of Rent.	K4	CO5
	15.b.	Explain the Classical theory of Interest.		
		(OR)		
		Examine the Schumpeter's Innovation theory.		

**SECTION -C (30 Marks)**

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Evaluate the concept of Revenue and their relationship?	K3	CO1
2	17	Explain the price and output determination of short run Monopoly competition.	K3	CO2
3	18	Model the Chamberline large group of model with suitable example.	K3	CO3
4	19	Outline the theory of wage fund.	K3	CO4
5	20	Illustrate the Keynesian liquidity Preference theory.	K3	CO5