

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)			
	11.b.	Explain the economies and dis economies of scale.		
2	12.a.	Outline characteristics of perfect competition with suitable example.	K3	CO2
	(OR)			
	12.b.	Construct the price Discrimination under Monopoly.		
3	13.a.	Illustrate the features of Monopolistic competition.	K3	CO3
	(OR)			
	13.b.	Identify the Kinked demand curve with suitable example.		
4	14.a.	Demonstrate the optimum theory if population.	K2	CO4
	(OR)			
	14.b.	Identify the Ricardian theory of Rent.		
5	15.a.	Explain the Classical theory of Interest.	K4	CO5
	(OR)			
	15.b.	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

Z-Z-Z END