

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BA DEGREE EXAMINATION MAY 2024
(Second Semester)

Branch – ECONOMICS

MICRO ECONOMICS - II

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

1. What is firm and industry examples?
What's the primary basis of the concept of cost?
i) Financial audit ii) Tax compliance iii) Cost estimation iv) Analysis of profit
2. Bilateral monopoly refers to the market situation of
i) one seller and one buyer ii) two sellers, two buyers
iii) one seller and two buyers iv) two sellers and one buyer
3. Excess capacity is a feature of equilibrium under
i) Perfect competition ii) Monopoly
iii) Monopolistic competition iv) Oligopoly
4. Subsistence theory of wages was used by
i) Karl Marx ii) Robinson iii) J. S. Mill iv) David Ricardo
5. Increasing the minimum wage for workers will:
i) Sole the unemployment problem
ii) Result in scarcity of workers
iii) Cause a substitution of capital for labour
iv) Decrease the MP of those workers

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

6. a) What are the objectives of business firm?
(or)
b) Explain the concept of revenue.
7. a) State and explain the features of perfect completion.
(or)
b) Discuss the Price and Output Determination under Perfect Competition.
8. a) Bring out the essential Features of oligopoly.
(or)
b) Discuss the Cournot model of price leadership.
9. a) State the Collective bargaining.
(or)
b) Bring out the various types of rent.

Cont...

10. a) State and explain the important concept of interest.
(or)
b) Explain Walker's theory of profits.

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 6 = 30)

11. a) Comparison of Marris model with Baumol's sales maximization model.
(or)
b) Describe short run average cost curves with suitable examples.
12. a) Discuss the different classification of market.
(or)
b) Explain the price and output determination under discrimination monopoly in short run and long run period using with diagram's.
13. a) Describe the Equilibrium of a Firm under Monopolistic Competition.
(or)
b) Explain the Price and Output Determination under Collusive Oligopoly.
14. a) Describe the optimum theory of population.
(or)
b) Discuss marginal productivity theory of distribution.
15. a) Explain the Keynesian liquidity preference theory of interest.
(or)
b) Explain the Schumpeter's theory of profits?

Z-Z-Z

END