

21U315

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Name: .....

Reg.No: .....

**THIRD SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2022**

(CBCSS - UG)

(Regular/Supplementary/Improvement)

**CC19U ECO3 B04 - MICROECONOMICS - II**

(Economics - Core Course)

(2019 Admission onwards)

Time : 2.5 Hours

Maximum : 80 Marks

Credit : 4

**Part A** (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. Define pure competition.
2. What is meant by a normal profit?
3. Explain the relation between the demand and price of perishable commodities in market period.
4. Bring out the three conditions for the equilibrium of the industry under perfect competition.
5. Define specific sales tax.
6. How can we classify monopolies on the basis of entry into the market?
7. Define Marginal Revenue.
8. When is Price discrimination local?
9. What do you mean by optimum price?
10. Explain the nature demand curve for the product of an individual firm under monopolistic competition.
11. Define oligopoly.
12. What are the two basic methods for sharing the market in a cartel?
13. Write a note on competitive factor market.
14. Define factor pricing.
15. Define substitution effect.

**(Ceiling: 25 Marks)**

**Part B** (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. What are the different types of market?

17. Explain Lerner's index.
18. Bring out the Social cost of Monopoly.
19. Explain the case of a two part tariff when consumer demand is homogeneous.
20. Bring out the features of monopolistic competition.
21. Briefly explain the concept of product differentiation.
22. Distinguish between collusive and non-collusive oligopoly models.
23. Explain factor market with monopsony power.

**(Ceiling: 35 Marks)**

**Part C (Essay questions)**

Answer any *two* questions. Each question carries 10 marks.

24. What is meant by perfect competition? Explain the short-run equilibrium of a firm using the TR-TC approach and MC-MR approach.
25. Explain the supply curve of a monopolist. Also bring out the case of a multi plant firm.
26. Explain Sweezy's kinked demand curve model of oligopoly. How does it explain price rigidity under oligopoly?
27. Explain the equilibrium situation in a competitive factor market.

**(2 × 10 = 20 Marks)**

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