

**QP CODE**

**H1028**

**Enrollment Number: .....**

**Name: .....**

**B.A DEGREE EXAMINATIONS, FEBRUARY 2026**

**Third Semester**

**B.A. Economics**

**B21EC03DC – Microeconomics II**

**(2024 July admissions)**

**Time: 3 Hours**

**Max Marks: 70**

**Section A**

**Answer any ten of the following questions in a word or sentence each. Each question carries 1 mark.**

1. What is Differential Surplus?
2. What is Rent?
3. Find the meaning of Equilibrium.
4. What are the inputs in Production?
5. Describe Monopolistic competition.
6. Define Collusive oligopoly.
7. Describe Price Leadership.
8. Express the meaning of Distribution.
9. Define Welfare economics.
10. State Pareto criterion.
11. Describe Public good.
12. State the meaning of Externalities.
13. Define Price discrimination.
14. State Market failure.
15. Describe Free rider problem.

**(1X10=10)**

**Section B**

**Answer any ten of the following questions in two or three sentences each. Each question carries 2 marks.**

16. What is Social Welfare Function?
17. Illustrate the shape of demand curve in perfect competition. Substantiate.
18. What is Negative Externality?
19. If the  $MR=20$ , what is the AR under perfect competition. Justify.
20. Briefly describe the equilibrium of the firm.
21. What is Marginal Revenue Productivity (MRP)?

22. Cardinalist criterion of welfare.
23. Narrate the characteristics of oligopoly.
24. Distinguish between positive and negative externalities.
25. Describe the characteristics Bentham's criterion.
26. Briefly describe uncertainty theory of profit.
27. Explain the relationship between innovation and profit.
28. Explain non-rivalry and non-excludability.
29. Describe the term differential rent.
30. Explain Price rigidity in Kinked demand theory.

**(2X10=20)**

### **Section C**

**Answer any five of the following questions in a paragraph each. Each question carries 4 marks.**

31. Examine loanable fund theory of interest.
32. Discuss the scope of Welfare Economics.
33. Distinguish between Public Goods and Private Goods.
34. Illustrate short run equilibrium under monopoly.
35. What is Marginal Productivity Theory of Distribution?
36. Explain different types of cartels.
37. Describe the conditions under which a firm maximise profit in input markets.
38. Describe the characteristics of Ricardian theory of rent.
39. Discuss in brief the Externalities in Production and Consumption.
40. Critically evaluate classical theory of interest.

**(4X5=20)**

### **Section D**

**Answer any two of the following questions in two pages each. Each question carries 10 marks.**

41. Critically examine various criteria in welfare economics.
42. Examine various theories of profit.
43. Illustrate short run and long run equilibrium under monopolistic equilibrium.
44. Critically examine various non-collusive oligopoly models.

**(10X2=20)**