

BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2025**2023 ADMISSIONS SUPPLEMENTARY****SEMESTER II - CORE COURSE (ECONOMICS)****EC2C02B23 - Micro Economic Analysis****Time : 3 Hours****Maximum Marks : 80****Part A****I. Answer any Ten questions. Each question carries 2 marks****(10x2=20)**

1. Define Sunk Cost.
2. What do you mean by Cost of Production?
3. Why does the demand curve of a monopolist slope downward?
4. Comment on long-run profit maximisation of a monopolist.
5. Define bilateral monopoly.
6. What is barometric price leadership?
7. Explain the problem of adverse selection.
8. Explain the new cost introduced by Chamberlin.
9. What is precautionary motive of demand for money?
10. Differentiate gross and net interest.
11. What do you mean by Pareto Optimality Criterion?
12. Explain Edgeworth Box with a Diagram.

Part B**II. Answer any Six questions. Each question carries 5 marks****(6x5=30)**

13. Why LAC curve is referred as envelope curve?
14. What are the different forms of dumping?
15. What are the assumptions of perfect competition?
16. Diagrammatically explain the equilibrium with price competition under monopolistic competition.
17. Explain the main features of monopolistic competition.
18. Discuss the effect of labour unions on wages.
19. Explain the reasons for interest rate differential
20. Discuss the conditions for Pareto optimality.
21. Explain Bergson- Samuelson Social Welfare function.

Part C**III. Answer any Two questions. Each question carries 15 marks****(2x15=30)**

22. Analyse Modern Cost theory with diagram.
23. Use appropriate diagrams to illustrate short-run equilibrium of perfect competition by MC-MR approach and TC-TR approach.
24. Explain the monopolistic competition and the methods of equilibrium determination.
25. Explain the different theories of interest.