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Seat No.:_____

Sardar Patel University
Vallabh Vidyanagar - 388120
Semester End Examination March/April 2018
F.Y.B.A. (Advanced) Semester II
UA02EEEC01 –Micro Economics II

Date: 6th April 2018, Friday

Time: 10.00 am to 12.00 pm

Total Marks: 60

Note: Figures to the right indicate marks

Draw Diagrams and cite examples wherever necessary.

Q:1 Attempt the following- **(15)**

(1) What is the most important characteristics of monopoly?
A) Product differentiation   B) Single Seller
C) Large numbers buyers.   D) None of these

(2) _____ is a special case of price discrimination.
A) collusion   B) dumping
C) cartel   D) All of these

(3) Cartel is also called pure collusive oligopoly
A) true   B) false
C) some time true   D) none of the above

(4) According to Kink demand curve model price is
A) rigidity   B) flexibility
C) elastic   D) none of the above

(5) Under monopolistic competition a firm under long run earns
A) Abnormal profit   B) Normal profit
C) Both A and B   D) None of these

(6) Under monopoly and monopsony there is _____ labour exploitation
A) maximum   B) no
C) minimum   D) none of these

(7) Which is not a demand for capital?
A) replacement   B) diversification
C) technology upgradation   D) speculation

(8) _____ has given the Price War Model.
A) Bertrand   B) Sweezy
C) Ricardo   D) none of these

(9) The MR curve under monopoly is
A) identical with AR   B) Half the distance of AR
C) Less than half the distance of AR   D) none of these

(10) Monopsony means _____

(11) Depreciation is _____
A) Internal source of capital   B) External source of capital
C) Government source.   D) None of the above.

(12) Second degree price discrimination means

(13) Labour unions can increase the wage rate _____
A) True   B) false
B) some time true   C) none of the above

(14) NPV Method is used for calculating _____
A) interest   B) length of project
C) Profit   D) none of these

(15) Demand for money for transaction motive is

(1)

	A) interest elastic	B) Interest inelastic
	C) neutral	D None of the above.

Q.2 How a firm under Monopoly reaches short run and long run equilibrium (15)

OR

Q.2 Explain ANY TWO methods of investment analysis. (15)

Q-3 Explain price leadership models. (15)

OR

Q.3 Marginal productivity of distribution under monopoly and monopsony.

Q.4 Write ANY two of the following (15)
A) Price Rigidity Model.
B) Ricardian theory of rent.
C) Dumping
D) Prof Knights Theory of profit