

# SHREE NARAYANA COLLEGE OF COMMERCE

## AHMEDABAD

Name of the Department: ECONOMICS

Subject: Microeconomics – II

Class & Semester: B. Com. Sem. – II

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## ASSIGNMENT

### SECTION – 1 (UNIT – 1)

- 1) What is Perfect competition? Explain the concept of Average Revenue and Marginal Revenue in Perfect Competition.
- 2) Describe the characteristics of Perfect Competition.
- 3) Explain the short run equilibrium of the firm in Perfect Competition with a diagram.
- 4) Explain the long run equilibrium of the firm in Perfect Competition.
- 5) Explain the long run and short run equilibrium of the industry in Perfect Competition.

### SECTION – 2 (UNIT – 2)

- 1) What is meant by Monopoly? Describe its features.
- 2) What are the conditions (characteristics) for Monopoly to exist in the market? Explain how price are determined by the Firm in the market in the short run?
- 3) Explain the relationship between average revenue & marginal revenue through Monopoly.
- 4) What is Price Discrimination? When is Price Discrimination possible and profitable?
- 5) State the difference between Monopoly & Monopsony.
- 6) Discuss the advantage and limitations of Monopsony

### SECTION – 3 (UNIT – 3)

- 1) What is meant by Monopolistic Competition and explain the short run and long run equilibrium of firm in Monopolistic Competitive market.
- 2) State the characteristics of Monopolistic Competition.
- 3) Explain the meaning and features of Oligopoly & Duopoly.
- 4) Describe the comparison between Perfect Competition & Monopolistic Competition.
- 5) Explain the concept of group equilibrium in Monopolistic Competition.

### SECTION – 4 (UNIT – 4)

- 1) Explain the Risk and Uncertainty Theory of Profit given by Prof. Knight.
- 2) Discuss the Marginal Productivity Theory of Distribution with its limitations.
- 3) Explain the Theory of Rent given by Ricardo with its limitations.
- 4) Explain the Modern Theory of Rent.
- 5) What is meant by Transfer Earning? Give explanations of rent through Transfer Earnings.
- 6) Write a note on Quasi Rent.

## SECTION – 5 (REVISION & PRACTICE)

Choose the right options

- 1) In which market firm has to act as a price taker?  
A) Monopolistic competition  
B) Perfect competition  
C) Monopoly  
D) Oligopoly
- 2) How is the curve of an average revenue in perfect competition market? ``  
a) Parallel to Y Axis  
b) Parallel to X-Axis  
c) Negative slope  
d) Positive slope
- 3) In perfect competition, in which time period, number of firms are not changed?  
A) Long  
B) Short  
C) Medium  
D) All of the above
- 4) In which market the entry of new firm is restricted?  
A) Perfect Competition  
B) Monopolistic Competition  
C) Monopoly  
D) Oligopoly
- 5) In which market question of equilibrium of an industry does not arises?  
A) Perfect Competition  
B) Monopolistic Competition  
C) Monopoly  
D) Imperfect Competition
- 6) How is the demand curve of a firm in a monopoly?  
A) Positive slope  
B) Parallel to X axis  
C) Negative slope  
D) Parallel to Y axis
- 7) Product differentiation is a characteristic of which market?  
a) Monopolistic Competition  
b) Perfect Competition  
c) Monopoly  
d) Oligopoly
- 8) In monopolistic competition market, the demand curve is \_\_\_\_\_  
a) Elastic  
b) Inelastic  
c) Perfectly elastic  
d) Perfectly inelastic
- 9) In monopolistic competition, the firm gains in the long run \_\_\_\_\_  
a) Normal profit  
b) Abnormal Profit  
c) Loss  
d) All of the above
- 10) According to Ricardo, which land gets rent?  
A) All  
B) Fertile  
C) Marginal  
D) Pre-marginal
- 11) What is the reason behind rent according to Ricardo?  
A) Scarcity of Factor  
B) Availability of Land  
C) Scarcity of Fertile Land  
D) Difference in Land Fertility
- 12) Profit originates in  
a) High prices  
b) Exploitation  
c) Estimation  
d) Uncertainty

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