

Roll.No.

24PECET1B01

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

M.A.Economics- END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - I

24PECET1B01- Economics of Markets

Total Duration : 1 Hrs.30 Mins.

Total Marks : 40

Section B

Answer any **TEN** questions ($10 \times 2 = 20$ Marks)

1. Define opportunity cost.
2. What is meant by comparative advantage?
3. State the law of demand.
4. Explain market equilibrium with a diagram.
5. Distinguish between elastic and inelastic demand.
6. What is consumer surplus?
7. Define opportunity cost in production decisions.
8. Explain the law of diminishing marginal returns.
9. What is marginal cost?
10. How is the short-run shutdown point determined?
11. List any two determinants of supply.
12. State any two effects of government price control.

Section C

Answer any **FOUR** questions ($4 \times 5 = 20$ Marks)

13. Describe production-possibility frontier (PPF) and explain opportunity cost.
14. Analyse the impact of shifts in demand and supply on equilibrium price and quantity
15. Examine how price elasticity of demand affects tax incidence on consumers and producers.
16. Apply the theory of the firm to show how profit maximisation occurs under diminishing returns.
17. Justify the relationship between average cost, marginal cost, and total cost with a suitable diagram
18. Discuss the role of government intervention in correcting market failures.
