

(Pages : 3)

T – 3050

Reg. No. :

Name :

Second Semester B.A. Degree Examination, August 2024

First Degree Programme under CBCSS

Economics

Core Course II

EC 1241 : MICRO ECONOMICS I

(2015 – 2018 Admissions)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer in **one** or **two** sentences. Attempt **all** questions.

1. Micro economics
2. Economic resources
3. Derived demand
4. Production function
5. Utility
6. Opportunity cost
7. Equilibrium

P.T.O.

8. Isoquant
9. Marginal revenue
10. Income consumption curve

(10 × 1 = 10 Marks)

SECTION – II

Answer any **eight** questions not exceeding one paragraph. Each question carries 2 marks.

11. What is the production possibility curve?
12. Explain cross elasticity of demand.
13. Define marginal rate of technical substitution.
14. What is meant by cost function?
15. How do ridge lines describe economic region of production?
16. What is the difference between strong ordering and weak ordering?
17. How is an income consumption curve derived?
18. Distinguish between inferior goods and normal goods.
19. Write a note on the definition of scarcity.
20. How do you derive an individual's demand curve for a commodity?
21. What are the features of mixed economy?
22. Define indifference map.

(8 × 2 = 16 Marks)

SECTION – III

Answer any **six** questions not exceeding **120** words. Each question carries **4** marks.

23. Point out the strengths and the weakness of the price mechanism.
24. Examine the conditions of consumer's equilibrium in terms of indifference curve analysis.
25. Explain increasing returns to scale, constant returns to scale and decreasing returns to scale.
26. What is Hicksian approach of measuring consumer surplus?
27. Why cost curves are U-shaped? Explain.
28. Explain the law of diminishing marginal utility.
29. What are the factors determining demand forecasting?
30. Point out the difference between point elasticity and arc elasticity.
31. Explain the shift in market supply.

(6 × 4 = 24 Marks)

SECTION – IV

Answer any **two** questions, not exceeding **4** pages. Each question carries **15** marks.

32. The scarcity and choice as the central problems of an economy. Discuss.
33. Define price elasticity of demand and explain the important factors determining the price elasticity of demand for a good.
34. Explain Hicksian and Slutsky's method of separating income and substitution effect.
35. State and explain the law of variable proportion.

(2 × 15 = 30 Marks)