G – 2380

Reg. No. : ....

Name : ....

Second Semester B.A. Degree Examination, May 2019

First Degree Programme under CBCSS

Economics

Core Course II

EC 1241 : MICRO ECONOMICS I

(2015 Admission onwards)

Time : 3 Hours   Max. Marks : 80

SECTION – I

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

1.   Opportunity cost

2.   Indifference curve

3.   Production function

4.   Engel curve

5.   Mixed economy

6.   Law of supply

7.   Income effect

8.   Cross elasticity of demand

9.   Price mechanism

10. Marginal cost

(10 × 1 = 10 Marks)

SECTION – II

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

11. Explain Production possibility curve.

12. State law of demand.

13. Define consumer surplus.

14. What do you mean by economies of scale.

15. Write a note on Cobb- Douglas Production function.

16. Explain producer's equilibrium.

17. Explain price elasticity of demand.

18. Explain Iso-cost line.

19. Why are the AVC and ATC curves 'U' shaped.

20. What is meant by Demand forecasting.

21. Why Indifference curves are Convex to the origin.

22. Distinguish between Micro Economics and Macro Economics.

$$(8 \times 2 = 16 \text{ Marks})$$

SECTION – III

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

23. State and explain the law of diminishing marginal utility.

24. What are the properties of Isoquant.

25. Explain Revealed Preference theory.

26. Explain different methods of Demand forecasting.

27. Explain Giffen Paradox.

28. Briefly explain the nature and scope of Micro economics.

29. Elucidate the traditional theory cost

30. Briefly explain the law of returns to scale.

31. Why does demand curve slopes downward?

(6 × 4 = 24 Marks)

SECTION – IV

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

32. Distinguish between Hicks and Slutsky approach to the measurement of income and substitution effect.

33. State and explain the Law of variable proportion. Which is the best stage in this law and why?

34. Critically examine the ordinal utility theory of consumer behaviour.

35. Explain the different methods of measuring price elasticity of demand.

(2 × 15 = 30 Marks)

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