

(6 pages)

Reg. No. :

Code No. : 10531 E Sub. Code : CMEC 11

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2022.

First Semester

Economics — Core

MICRO ECONOMICS — I

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. Goods in which their demand decreases as the consumer's income increases are called ————
- (a) Substitutes
 - (b) Complementary goods
 - (c) Normal goods
 - (d) Inferior goods

2. Who coined the terms Micro Economics and Macro Economics?

- (a) Alfred Marshall
- (b) Ragnar Frisch
- (c) Adam Smith
- (d) A.C. Pigou

3. Which is not a characteristic of human wants?

- (a) Wants are limited
- (b) Wants are recurring
- (c) Wants are satiable
- (d) Wants are competitive

4. The concept of Utility was first propounded by

- (a) Adam Smith (b) Alfred Marshall
- (c) Stanley Jevons (d) Malthus

5. According to Hicks and Allen, Utility is ————

- (a) can be measured in cardinal numbers
- (b) can be measured in ordinal numbers
- (c) cannot be measured
- (d) cannot be expressed

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6. Which of the following will have elastic demand?
 (a) Match box (b) Text books
 (c) Medicines (d) Air Conditioners
7. _____ means transformation of physical inputs into output.
 (a) Production (b) Consumption
 (c) Distribution (d) Marketing
8. Checks adopted by nature to control population is called _____ checks.
 (a) Preventive
 (b) Positive
 (c) Man made
 (d) Preventive and Positive
9. The Law of _____ is also known as the Law of Decreasing Costs.
 (a) Constant Returns
 (b) Increasing Returns
 (c) Diminishing Returns
 (d) Demand
10. Iso-quants are convex to origin because of
 (a) diminishing MRTS
 (b) increasing MRTS
 (c) increasing returns to scale
 (d) diminishing returns to scale

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PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Explain the growth definition of Economics.
 Or
 (b) Describe the subject matter of Economics.
12. (a) Analyse the features of human wants.
 Or
 (b) Summarise the reasons for downward sloping demand curve.
13. (a) Explain the properties of Indifference Curve.
 Or
 (b) Explain the concept of diminishing Marginal Rate of Substitution with an illustration.
14. (a) Describe the concept of Division of Labour.
 Or
 (b) Narrate the factors governing capital formation.

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15. (a) Write a brief note on production function.

Or

- (b) Examine the concept of Iso Quants.

PART C — ($5 \times 8 = 40$ marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the difference between Micro Economics and Macro Economics.

Or

- (b) Give a detailed account of 'Economic Laws'.

17. (a) Critically examine the Law of Diminishing Marginal Utility.

Or

- (b) Discuss the concept of Consumer's surplus.

18. (a) Describe the methods of measuring elasticity of demand.

Or

- (b) Examine Consumer's equilibrium with the help of Indifference Curve.

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19. (a) Discuss the merits and demerits of small-scale production.

Or

- (b) Assess the functions of an entrepreneur.

20. (a) Explain the Law of Variable Proportions.

Or

- (b) State the Law of Diminishing Returns with an example and analyse the reasons for its application in Agriculture.

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