

(6 pages)

Reg. No. :

Code No. : 22231 E Sub. Code : JMEC 11/
SMEC 11

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2019.

First Semester

Economics – Main

MICRO ECONOMICS – I

(For those who joined in July 2016 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Which of the following comes under micro economic analysis?
- (a) factor pricing
 - (b) product pricing
 - (c) consumer behaviour
 - (d) all of these

2. Whose definition is universal and acceptable?

- (a) Adam Smith (b) Alfred Marshall
- (c) Robbins (d) Paul Samuelson

3. Giffen goods are

- (a) Luxuries (b) Comforts
- (c) Inferior goods (d) Superior goods

4. Which is known as the first law of consumption?

- (a) the law of diminishing marginal utility
- (b) the law of demand
- (c) elasticity of demand
- (d) consumer's surplus

5. Indifference curve analysis was first introduced by

- (a) Fisher (b) Edgeworth
- (c) Hicks (d) Pareto

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6. Consumer's equilibrium =

- (a) $MRS_{xy} = \frac{p_x}{p_y}$ (b) $MRS_{xy} > \frac{p_x}{p_y}$
(c) $MRS_{xy} < \frac{p_x}{p_y}$ (d) $MRS_{xy} > p_x \cdot p_y$

7. When inputs are transformed into output it is called _____?

- (a) consumption (b) production
(c) distribution (d) exchange

8. Which factors of production has fixed in supply?

- (a) labour (b) land
(c) organisation (d) capital

9. According to Marshall the law of diminishing return to scale applies to _____.

- (a) mining (b) fishing
(c) agriculture (d) manufacturing

10. Marginal product of labour =

- (a) $\frac{\Delta L}{\Delta Q}$ (b) $\frac{\Delta AP}{\Delta K}$
(c) $\frac{\Delta K}{\Delta Q}$ (d) $\frac{\Delta AP}{\Delta L}$

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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) What are the main divisions of economics?

Or

(b) State the advantages of micro economics.

12. (a) What are the significances or the law of diminishing marginal utility?

Or

(b) State and explain the law of demand.

13. (a) Write a note on indifference curve schedule.

Or

(b) Explain the concept of MRS.

14. (a) State the different stages of capital formation.

Or

(b) What are the evils of large scale production?

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15. (a) Write a note on production functions.

Or

- (b) Narrate the relationship between total product and marginal product.

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) Critically evaluate Marshall's definition.

Or

- (b) Differentiate micro economics and macro economics.

17. (a) What are the features of human wants?

Or

- (b) Bring out the factors that are determining the elasticity of demand.

18. (a) Explain the properties of an indifference curve.

Or

- (b) Explain the defects of indifference curve analysis.

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19. (a) Describe the functions of an entrepreneur.

Or

- (b) What are the advantages and disadvantages of small scale production?

20. (a) Examine the importance of the law of diminishing returns.

Or

- (b) Explain the law of increasing returns with a help of a diagram.

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