

(6 pages)

Reg. No. :

Code No. : 10798 E Sub. Code : EMEC 11

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2023.

First Semester

Economics — Core

MICRO ECONOMICS — I

(For those who joined in July 2023 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. Who coined the term 'Micro Economics'?
- (a) Adam Smith (b) Ragnar Nurkse
(c) Ragnar Frisch (d) Ricardo

2. Which theory is generally included under micro economics?

(a) price theory
(b) income theory
(c) employment theory
(d) trade theory

3. The capacity of a good to satisfy a human want is called

(a) utility (b) satisfaction
(c) want (d) desire

4. The law of diminishing marginal utility is applicable to

(a) misers (b) drunkards
(c) greedy men (d) normal consumers

5. _____ tell us the rate of change in demand.

(a) law of demand
(b) elasticity of demand
(c) consumer's surplus
(d) consumption analysis



6. An exceptional demand curve slopes
 (a) downward from left to right
 (b) upward from left to right
 (c) vertical straight line
 (d) horizontal straight line
7. The law of variable proportions describes the production function with _____ variable factor.
 (a) one (b) two
 (c) three (d) four
8. The number of inputs in Cobb-Douglas production function is
 (a) 2 (b) 3
 (c) 4 (d) 1
9. Average cost is equal to
 (a) $TC \times Q$ (b) $TC \div Q$
 (c) $TC + Q$ (d) $TC - Q$
10. Total revenue is maximum, when marginal revenue is equal to
 (a) zero (b) one
 (c) marginal cost (d) price

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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) Narrate the fundamental economic problems.

Or

- (b) Give a brief account of normative approach.

12. (a) What is utility? Differentiate between ordinal and cardinal utility.

Or

- (b) Describe the properties of indifference curve.

13. (a) Write a brief note on Giffen Paradox.

Or

- (b) Explain the types of price elasticity of demand.

14. (a) Discuss the internal economics of large scale production.

Or

- (b) Examine the concept of Isoquant.

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15. (a) Describe the relationship between AC and MC curves.

Or

- (b) Write a short note on profit maximization rule.

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) Examine the deductive and inductive approaches of economic analysis.

Or

- (b) Elucidate the relationship between economics and other social sciences.

17. (a) Analyse the law of equi-marginal utility.

Or

- (b) Explain the concept of marginal rate of substitution with example.

18. (a) Explain the law of Demand.

Or

- (b) Describe the doctrine of consumer's surplus and point out its significance.

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19. (a) Examine the laws of returns to scale in detail.

Or

- (b) Critically analyse the Cobb-Douglas production functions.

20. (a) Distinguish between :

- (i) Fixed and variable costs
- (ii) Short run and long run costs
- (iii) Implicit and explicit costs
- (iv) Sunk and imputed costs.

Or

- (b) Define the term total revenue, average revenue and marginal revenue. And elucidate the relationship between AR and MR curves.

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