

17U144

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Name:

Reg. No.....

FIRST SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2017

(Regular/Supplementary/Improvement)

(CUCBCSS-UG)

CC15U ECO1 B01–MICRO ECONOMICS

(Economics -Core Course)

(2015 Admission onwards)

Time: Three Hours

Maximum: 80 Marks

Section A

Answer *all* questions. Each question carries ½ mark.

1. Utility can be measured in terms of
 - a) Units
 - b) Utils
 - c) Kilogram
 - d) Litre
2. In case of Giffen goods, demand curve will slope
 - a) Upward
 - b) Downward
 - c) Horizontal
 - d) Vertical
3. Change in demand due to increase in the income of consumer is
 - a) Increase in demand
 - b) Decrease in demand
 - c) Contraction in demand
 - d) Extension in demand
4. The shape of indifference curve in case of complementary goods is
 - a) S
 - b) V
 - c) U
 - d) L
5. Isoquants are
 - a) Convex to origin
 - b) Concave to origin
 - c) Parallel to X axis
 - d) Parallel to Y axis
6. The book “Value and Capital” was written by
 - a) Alfred Marshall
 - b) Paul Allen
 - c) J.R. Hicks
 - d) Adam Smith
7. The total output is at its maximum when marginal output is
 - a) Infinite
 - b) One

Turn Over

- c) Zero
d) Less than one
8. An essential pre-requisite for the equilibrium of the firm is
a) $TC = TR$
b) $AC = AR$
c) $TC = AC = AR$
d) $MC = MR$
9. The term 'monopsony' was coined by
a) A.P Lerner
b) A. C Pigou
c) Mrs. Joan Robinson
d) Alfred Marshall
10. Nominal Cost is the
a) Social cost
b) Labour cost
c) Alternative cost
d) Money cost
11. MRTS is the slope of
a) Isoquant
b) Indifference curve
c) Iso cost line
d) Budget line
12. Cross elasticity of demand between soft drinks Coca cola and Pepsi is
a) Positive
b) Negative
c) Zero
d) Infinity

(12 x ½ = 6 Marks)

Section BAnswer any *ten* questions. Each question carries 2 marks.

13. Write any four assumptions of Law of Demand.
14. What is Veblen good?
15. Write a short note on Decreasing Returns to Scale.
16. Define Price Line?
17. What is substitution effect?
18. How do you measure the slope of an Isoquant Curve?
19. Define Positive Economics?
20. What do you mean by income elasticity of demand?
21. What is Consumer Surplus?
22. Write any four determinants of Price elasticity of demand.
23. Define Marginal Rate of Substitution (MRS)?

24. What is Engel Curve?

(10x2 = 20 Marks)

Section CAnswer any *six* questions. Each question carries 5 marks.

25. Explain the scope of Micro Economics?
26. Distinguish between Expansion of Demand and Increase in Demand.
27. Explain the difference between deductive and inductive methods in Economics?
28. Write down the main features of Cobb-Douglas Production Function.
29. Explain the different types of Elasticity of Demand?
30. Explain Slutskian method of substitution effect?
31. Define utility? Distinguish between Cardinal utility and Ordinal utility.
32. What are the properties of Iso quant?

(6 x 5 = 30 Marks)

Section DAnswer any *two* questions. Each question carries 12 marks.

33. Elaborate the different methods for calculating Price Elasticity of demand?
34. Explain the Law of Variable Proportions using a diagram?
35. Elucidate the Revealed Preference Theory of Paul Samuelson?
36. What are the different short run cost curves? Explain the interrelationships among them?

(2x12 = 24 Marks)
