

Reg. No. :

Name :

First Semester B.A. Degree Examination, January 2024

First Degree Programme under CBCSS

Economics

Core Course I

EC 1141 : INTRODUCTORY MICRO ECONOMICS

(2019 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer **all** questions. **Each** question carries **1** mark.

1. Price taker
2. Marginal Revenue
3. Opportunity cost
4. Cartel
5. Monopsony
6. Isoquant
7. Feasible set
8. Income effect
9. Marginal cost
10. MRS

(10 × 1 = 10 Marks)

P.T.O.

SECTION – II

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

11. Explain the Price elasticity of supply.
12. The short-run average cost curve is U-shaped. Why?
13. State the law of diminishing returns.
14. Write a short note on excess Capacity.
15. Why does the demand curve slope downward?
16. Explain production function.
17. What do you mean by the price mechanism?
18. Explain the relationship between marginal cost and the average cost.
19. Describe the features of oligopoly.
20. Explain substitution effect.
21. State the profit maximisation rule.
22. Write a note on consumer surplus.

(8 × 2 = 16 Marks)

SECTION – III

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

23. Examine the features of monopolistic competition.
24. Show the income and substitution effect on hours of work and free time.
25. State the Law of Diminishing Marginal Utility.

26. Examine the different stages of returns to scale.
27. Why is there price rigidity under an Oligopoly market?
28. Give a note on Monopoly Power.
29. Describe and derive the long-run average cost curve.
30. Examine the nature of AR and MR curves under a monopoly market with a diagram.
31. Explain Price discrimination. What are the different degrees of price discrimination?

(6 × 4 = 24 Marks)

SECTION – IV

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

32. Discuss the behaviour of the production function with one variable input. Show the three stages of production with one variable input.
33. Discuss the equilibrium of a firm and industry under perfect competition in the short run and long run.
34. Explain the price elasticity of demand and examine the various method of its measurement. Bring out the major factors determining the elasticity of demand.
35. Explain the equilibrium of a firm under a monopoly market.

(2 × 15 = 30 Marks)