



Reg. No. :

Name :

Second Semester B.A. Degree Examination, July 2017
First Degree Programme under CBCSS
ECONOMICS
Core Course – II
EC 1241 : Micro Economics – I
(2015 Admn. Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer in **one** or **two** sentences (Attempt **all** questions).

1. Plant Load Factor.
2. MPP.
3. Producer's equilibrium.
4. Opportunity cost.
5. Strong ordering.
6. Isoclines.
7. Luxury goods.
8. Substitutes.
9. Point elasticity of demand.
10. ICC.

(10×1=10 Marks)

SECTION – II

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

11. Distinguish between microeconomics and macroeconomics.
12. Explain law of supply.
13. What are the factors affecting demand.
14. Explain capitalist economic system.
15. What are Giffen goods ?



16. Explain AFC, AVC and AC.
17. Explain producer's surplus.
18. What is weak ordering ?
19. Explain externalities.
20. Factors of production.
21. What is price mechanism ?
22. Explain the various isoquants.

(8×2=16 Marks)

SECTION – III

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

23. What is demand forecasting ?
24. Explain empirical cost curves.
25. What is market demand ?
26. Explain the different types of elasticity of demand.
27. Explain Engel curve.
28. Explain the traditional theory of costs.
29. What is MRTS ?
30. Explain PPC.
31. Explain Revealed Preference Theory.

(6×4=24 Marks)

SECTION – IV

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

32. Critically explain the law of diminishing marginal utility.
33. What are the central problems of an economy ? How it can be solved ?
34. Explain consumer's equilibrium using indifference curve analysis.
35. Explain Hicksian method of bifurcation of price effect into income and substitution effects.

(2×15=30 Marks)