

QP CODE:

Enrollment Number:

T6008

Name:

BA DEGREE EXAMINATIONS, MAY 2024

First Semester

B.A. Economics

B21EC01DC - Micro Economics I

(2023 January admissions)

Time: 3 Hours

Max Marks: 70

Section A

Answer any ten of the following questions in a word or sentence each. Each question carries 1 mark.

1. Which is the historical event that paved the way for the emergence of macroeconomics?
2. Which is the economic system that is guided by profit motive?
3. Which is the method of analysis that is related to value judgement?
4. Which is the type of elasticity that measures responsiveness of demand to the change in price of substitute?
5. What is the additional utility that is derived from the consumption of an additional unit of a commodity is known as?
6. What is a set of indifference curves plotted on a graph?
7. For which type of goods the law of demand fails?
8. Who put forward the revealed preference theory?
9. What is the shape of the utility curve for a risk averse consumer?
10. What is the profit maximising condition under perfect competition?
11. What is the slope of the isocost line?
12. Write down the mathematical form of the CES production function.
13. What is the price elasticity of supply when the supply curve is vertical to the X-axis?
14. What is the other name of the LAC curve?
15. What is the name of the point when TR is maximum?

(1X10=10)

Section B

Answer any ten of the following questions in two or three sentences each. Each question carries 2 marks.

16. What is Growth definition of economics?
17. Distinguish between Positive and Normative economics.
18. What is expansion and contraction of demand?
19. What is ordinal utility analysis? What are the assumptions of ordinal utility theory?

20. Distinguish between risk and uncertainty.
21. Explain St.Petersburg Paradox.
22. Define MRTS.
23. What is law of supply? Why does the supply curve slope upward?
24. Write a note on the expansion path.
25. Distinguish between internal economies and diseconomies of scale.
26. Write a short note on NITI AAYOG.
27. Explain the Relation Between Total Utility and Marginal Utility.
28. Explain Substitution effect.
29. What is Giffen's Paradox?
30. Define Isocost.

(2X10=20)

Section C

Answer any five of the following questions in a paragraph each. Each question carries 4 marks.

31. What is production possibility set? How it is graphically explained through production possibility curve?
32. What are the different types of elasticity of demand?
33. Explain the law of equi-marginal utility. How does a consumer reach equilibrium in the Cardinal Utility Approach?
34. What is a budget line? Examine the effect of change in income and price on the budget line.
35. What is a Giffen good? Explain the shape of the demand curve for a Giffen good.
36. Explain the assumptions of Neumann- Morgenstern Utility Theorem.
37. Define isoquants. What are the properties of isoquants?
38. Elucidate the determinants of supply.
39. What are the factors causing external economies of scale?
40. Distinguish between Total Revenue, Marginal Revenue, and Average Revenue.

(4X5=20)

Section D

Answer any two of the following questions in 300 words each. Each question carries 10 marks.

41. What are the central problems of an economy? How it is solved in different economic systems?
42. Explain Revealed preference theory of demand. How do we derive the demand curve under revealed preference theory?
43. What is price elasticity of supply? What are the factors determining price elasticity of supply? Explain the point elastic method of measuring elasticity of supply.
44. With the help of diagram explain short run and long run cost curves under traditional theory.

(10X2=20)