

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BA DEGREE EXAMINATION DECEMBER 2019
(First Semester)

Branch- **ECONOMICS**

MICRO ECONOMICS -1

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (10 x 2 = 20)

- 1 Define Micro Economics.
- 2 What is Partial Equilibrium?
- 3 State Law of Demand.
- 4 What is Supply function?
- 5 What do you mean by Elasticity of Demand?
- 6 What is Elasticity of Supply?
- 7 What do you mean by Utility?
- 8 Define Consumer Surplus.
- 9 What do you mean by Production?
- 10 What is Law of variable proportion?

SECTION - B (25 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a Distinguish between Positive and Normative science.
OR
b Briefly explain economic statics and comparative statics.
- 12 a Describe the exceptions to Law of Demand.
OR
b Write a note on Equilibrium of Demand and Supply.
- 13 a Explain the types of Elasticity of Demand.
OR
b Describe Export subsidy and its effects.
- 14 a Bring out the properties of Indifference curve.
OR
b Write a note on Substitution effect.
- 15 a Briefly explain returns to scale.
OR
b Discuss Isoquants and its properties.

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Elaborate the concept of equilibrium.
- 17 Explain why demand curve slopes downward.
- 18 Discuss the methods of measuring Elasticity of Demand.
- 19 Describe the method of measuring and uses of Consumer Surplus.
- 20 Narrate the concept of Producer's Equilibrium.