

(AUTONOMOUS)
BA DEGREE EXAMINATION MAY 2018
(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 Comprehend the term 'Micro Economics'.
- 2 What do you mean by the 'Production Frontier Curve'?
- 3 Define the 'Law of Supply'.
- 4 Differentiate 'Static' from 'Dynamic Equilibrium'.
- 5 Synthesize the term 'Tax incidence'.
- 6 What do you mean by the 'Elasticity of Supply'?
- 7 Comprehend the term 'Price effect'.
- 8 How do measure the 'Ordinal utility'.
- 9 Synthesize the term 'Production'.
- 10 Bring out the 'Production function'.

SECTION - B (25 Marks)

Answer ALL Questions

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

- 11 a State the Scarcity definition of Economics.
OR
b Critically evaluate the deductive method of economic analysis.
- 12 a Why does the demand curve is sloping downwards?
OR
b Explain the concept of 'Stable Equilibrium'.
- 13 a Distinguish between 'Price Elasticity' and 'Cross Elasticity'.
OR
b Differentiate 'Production Subsidy' from 'Export Subsidy'.
- 14 a What are the assumptions of the 'Law of Diminishing Marginal Utility'?
OR
b Explain the various properties of an Indifference curve.
- 15 a Describe the properties of Cobb-Douglas Production function.
OR
b Discuss about the Marginal rate of Technical Substitution.

SECTION - C (30 Marks)

Answer any **THREE** Questions

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

- 16 Critically examine the Inductive method of Economic analysis.
- 17 Examine the exceptions to Law of Demand.
- 18 Describe the various types of price elasticity of demand.
- 19 How do attain the consumer's equilibrium with the help of an Indifference Curve.
- 20 How to obtain the producer's equilibrium? - Discuss.

Z-Z-Z

END