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H – 2030

Reg. No. : .....

Name : .....

First Semester B.A. Degree Examination, November 2019

First Degree Programme under CBCSS

Economics

Core Course I

EC 1141 : INTRODUCTORY MICRO ECONOMICS

(2019 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – I

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

1. Opportunity cost.
2. Price mechanism.
3. Strong ordering.
4. Cardinal utility.
5. Production.
6. Supply.
7. Fixed cost.
8. Cost function.
9. Monopoly
10. Price Rigidity

(10 × 1 = 10 Marks)

P.T.O.

## SECTION – II

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

11. Distinguish between individual demand and market demand.
12. Write a note on total utility and marginal utility.
13. What are the factors determining price elasticity of demand?
14. Why does supply curve generally slope upward?
15. What are the exceptions to the law of demand?
16. Define budget constraint.
17. Define Marginal rate of technical substitution.
18. What is meant by production function for a single product?
19. What is meant by price discrimination?
20. How to explain an expansion path?
21. Describe the features of a cartel.
22. What are the factors determining supply?

**(8 × 2 = 16 Marks)**

## SECTION – III

Answer **any six** questions not exceeding one paragraph. Each question carries **4** marks.

23. Compare perfect competition and monopoly.
24. State and explain law of variable proportions.
25. What is the difference between short run and long run production function?
26. Explain behavioristic explanation of consumers demand.
27. Write a note on decision making and scarcity.

28. Diagrammatically explain the conditions of long run equilibrium under perfect competition.
29. How to derive income consumption curve.
30. Analyze the concept of consumer's surplus using Marshallian method.
31. Trace out the consumers equilibrium by using indifference curve analysis.

**(6 × 4 = 24 Marks)**

#### SECTION – IV

Answer **any two** questions not exceeding one paragraph. Each question carries **15** marks.

32. What is meant by excess capacity? How to explain long run equilibrium of a firm under monopolistic competition by excess capacity.
33. Critically examine the laws of returns to scale.
34. Explain income effect and substitution effect for an inferior good.
35. What are the characteristics of perfect competition? Describe short run equilibrium of a firm under perfect competition.

**(2 × 15 = 30 Marks)**

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