



MAR IVANIOS COLLEGE (AUTONOMOUS)
THIRUVANANTHAPURAM

Reg. No. :.....

Name :.....

Second Semester B.A. Degree Examination, June 2016

First Degree Programme under CBCSS

Core Course: Economics – I

AUEC241: Micro Economics I

Time: 3 Hours

Max. Marks: 80

SECTION – A

Answer ALL the following terms each in one or two sentences.

1. Economic system.
2. Micro economics.
3. Marginal Rate of Substitution.
4. Engel's Law.
5. Marginal utility.
6. Market mechanism.
7. Law of supply.
8. Inelastic Supply.
9. Opportunity cost.
10. Production Function.

(10 × 1 = 10 Marks)

SECTION – B

Write short notes on any EIGHT of the following, not exceeding a paragraph.

11. Extension and contraction in demand.
12. Cobb – Douglas production function.
13. Income elasticity of demand.
14. Short – run and long – run production function.

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15. Economies and diseconomies of scale.
16. Relation between AC and MC curves.
17. Properties of an indifference curve.
18. Cross elasticity of demand.
19. Assumptions of cardinal approach to utility.
20. Distinguish command economy, market economy and mixed economy.
21. Cross elasticity of demand.
22. Production Possibility Curve.

(8 × 2 = 16 Marks)

SECTION – C

*Short essay type : Answer any **SIX** questions, each not to exceed one and a half page.*

23. Write a note on saucer shaped short – run cost curves.
24. Discuss Marshallian consumer surplus.
25. Briefly discuss the practical uses of concept of elasticity.
26. Why is SAC curve U – shaped ?
27. ‘The more we have a thing, the less we want to have more of it’. Explain.
28. What are the basic economic problems ?
29. Give an account on exceptions to the law of demand.
30. Briefly discuss five reasons that decreases demand for a good.
31. Discuss the exceptional indifference curves.

(6 × 4 = 24 Marks)

SECTION – D

*Long essay type : Answer any **TWO** questions, each not exceeding three pages.*

32. What is price elasticity of demand and explain the methods to measure it with examples ?
33. Explain law of variable proportions, with diagram.
34. Explain the revealed preference theory of Samuelson.
35. Discuss consumer’s equilibrium using indifference curve and budget line.

(2 × 15 = 30 Marks)

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