

KAMARAJ COLLEGE (Autonomous)

Accredited with A+ Grade by NAAC

(Affiliated to Manonmaniam Sundaranar University, Tirunelveli)

THOOTHUKUDI – 628 003

4 Pages

Reg. No:

Question. Code No : 2400011

Sub Code : 24UMEC11

UG Degree - End Semester Examinations, November 2024

First Semester

B.A. Economics

Major - MICRO ECONOMICS -I

(For those who joined in July 2024 onwards)

Time : 3 Hours

Maximum : 75 Marks

PART A – (10 × 1 = 10 Marks)

Answer All the Questions

Choose the Correct Answer

1. The economic problems arise because
 - (a) Wants are unlimited
 - (b) Resources are scarce
 - (c) Scarce resources have alternative uses
 - (d) All the above

2. Who is the father of the Economics?
 - (a) Marshall
 - (b) Keynes
 - (c) Robins
 - (d) Adamsmith

3. Total utility is maximum at a point, when Marginal Utility is
 - (a) Positive
 - (b) Negative
 - (c) Zero
 - (d) 1
4. The capacity to satisfy a human want is called
 - (a) Utility
 - (b) Want
 - (c) Satisfaction
 - (d) Desire
5. The concept of 'Elasticity of Demand' was introduced by
 - (a) Adam smith
 - (b) Ricardo
 - (c) Malthus
 - (d) Marshall
6. Consumer's Surplus is
 - (a) Potential Price + Actual Price
 - (b) Potential Price - Actual Price
 - (c) Both 'a' & 'b'
 - (d) None of these
7. Production Function explains the relation between _____ and _____
 - (a) Input & Input
 - (b) Input & output
 - (c) Output & Output
 - (d) None of these
8. The law of variable proportions describes the production function with _____ factor.
 - (a) One
 - (b) Two
 - (c) Three
 - (d) Four
9. The other name for Average Revenue Curve is
 - (a) Profit Curve
 - (b) Average Cost Curve
 - (d) Market demand Curve
 - (c) Variable Cost Curve
10. Average cost is equal to

(a) $TC \times Q$

(b) $TC \div Q$

(c) $TC + Q$

(d) $TC - Q$

PART B - (5X5=25 Marks)

Answer ALL Questions choosing either (a) or (b).

Answer should not exceed 250 words.

11. (a) Write a brief note on 'Inductive Method'.

(OR)

(b) Explain Marshall's definition of Economics.

12. (a) What is utility? Differentiate between ordinal and cardinal utility.

(OR)

(b) Describe the properties of Indifference Curve.

13. (a) Indicate the causes for downward sloping Demand Curve.

(OR)

(b) Describe the law of Demand.

14. (a) Discuss the internal economies of large scale production.

(OR)

(b) Examine the concept of Isoquant.

15. (a) Describe the relationship between AC and MC curves.

(OR)

(a) Write a short note on profit maximization rule.

PART C - (5 × 8 = 40 Marks)

Answer ALL Questions choosing either (a) or (b).

Answer should not exceed 500 words.

16. (a) What is Market Mechanism? Discuss its functions and limitations.

(OR)

(b) Explain the following:

(i) Positive Approach

(ii) Normative Approach

(iii) Deductive Approach

(iv) Rationality

17. (a) Analyse the law of equi-marginal utility.

(OR)

(b) Explain the concept of marginal rate of substitution with example.

18. (a) Explain the concept of Consumer's Surplus.

(OR)

(b) Describe the main determinants of demand.

19. (a) Examine in detail the Laws of Returns to Scale.

(OR)

(b) Critically analyse the Cobb-Douglas production function.

20. (a) Write short notes on:

(i) Fixed and Variable Cost

(ii) Implicit and Explicit Cost

(iii) Sunk and Imputed Cost.

(OR)

(b) Define the term Total Revenue, Average Revenue and Marginal Revenue. And elucidate the relationship between AR and MR curves.