

(6 pages)

Reg. No. :

Code No. : 20661 E Sub. Code : CMEC 11

B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2024.

First Semester

Economics — Core

MICRO ECONOMICS — I

(For those who joined in July 2021 and 2022 only)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer.

1. When two commodities are jointly demanded, they are
 - (a) Substitutes
 - (b) Complementary goods
 - (c) Normal goods
 - (d) Necessary goods
2. River water is an example of _____ good.
 - (a) free
 - (b) economic
 - (c) convenience
 - (d) industrial
3. When the marginal utility is zero, the
 - (a) average utility is maximum
 - (b) total utility is minimum
 - (c) average utility is minimum
 - (d) total utility is maximum
4. The additional utility that the consumer derives from the additional consumption of any commodity is _____ utility.
 - (a) Marginal
 - (b) Average
 - (c) Total
 - (d) Cardinal
5. Demand for necessities is generally _____.
 - (a) More elastic
 - (b) Inelastic
 - (c) Perfectly elastic
 - (d) Unit elastic
6. Which of the following are properties of Indifference Curves?
 - (a) Never intersect each other
 - (b) Always slope upwards
 - (c) Concave to the origin
 - (d) Higher curves represent a lower level of satisfaction

7. Who should be involved in preparing a firm's business plan?
- (a) Accountant (b) Engineer
(c) Entrepreneur (d) Executive Officers
8. Which of the following best describes Division of Labour?
- (a) Breaking down of work, into smaller units
(b) Doing variety of diversified work
(c) Each worker creates the final product
(d) Specialisation
9. _____ refers to a period in which output can be changed by changing all factors of production.
- (a) Short run
(b) Medium term
(c) Long run
(d) Very short period
10. According to Marshall, the Law of Diminishing Returns is applicable to
- (a) Agriculture
(b) Industry
(c) Business
(d) All fields of production

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PART B — (5 × 5 = 25 marks)

Answer ALL questions by choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Explain the main divisions of Economics.
Or
(b) Discuss the importance of Micro Economics.
12. (a) Summarise the importance of the Law of Equi-Marginal Utility.
Or
(b) Narrate the assumptions of Law of Diminishing Marginal Utility.
13. (a) Explain the importance of the concept of elasticity of demand.
Or
(b) Explain the concept of substitution effect with suitable diagram.
14. (a) Evaluate the functions of an entrepreneur.
Or
(b) Assess the merits and demerits of division of labour.

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[P.T.O.]

15. (a) Describe the different types of production function.

Or

- (b) What is Iso-quant? Describe its properties.

PART C — (5 × 8 = 40 marks)

Answer ALL questions by choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Distinguish Micro Economics and Macro Economics.

Or

- (b) Write a short note on the following

(i) Economic Laws

(ii) Goods and

(iii) Market

17. (a) Explain the Law of Demand and state its exceptions.

Or

- (b) Describe the Consumer's Surplus doctrine and explain the limitations.

18. (a) Explain the factors which affect Elasticity of Demand.

Or

- (b) Analyse the consumer's equilibrium with the help of indifference curve.

19. (a) Critically examine Malthusian theory of population.

Or

- (b) Evaluate the merits and demerits of large-scale production.

20. (a) Discuss the Law of Variable Proportions.

Or

- (b) Describe the law of diminishing returns with suitable diagram.