## B.A DEGREE (CBCS) REGULAR / REAPPEARANCE EXAMINATIONS, DECEMBER 2021

### Second Semester

B.A Economics Model I

### Core Course - EC2CRT02 - MICRO ECONOMIC ANALYSIS- I

**For Regular Candidates : 2017 Admission Onwards**

**For Private Candidates : 2020 Admission Only**

1C2C948B

Time: 3 Hours

Max. Marks : 80

*Instructions to Private candidates only: This question paper contains **two sections**. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II***

### SECTION I

#### Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Bring out the major features of scarcity dfenition of Economics.

2. Define scarcity.

3. Define Marginal Cost.

4. Income elasticity of demand.

5. Diagrammatically explain the increase in supply.

6. Distinguish between cardinal approach and ordinal approach.

7. What is Revealed preference theorem?

8. What is Consumer's surplus?

9. What is linear expenditure system?

10. Define MPL

11. What do you mean by CRS?

12. Elasticity of factor substitution.

(10×2=20)

**Part B**

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Bring out the demerits of capitalism.

14. What do you mean by shift in supply curve? Will the supply curve shift to the right or to the left if (a) technology improves or (b) input prices increase. What happens if both (a) and (b) occur?

15. Define a supply curve.

16. Briefly explain the simultaneous shifts of demand and supply curve in a market.

17. Explain law of equimarginal utility.

18. Explain Engel curve with suitable illustrations.

19. What is an Expansion Path?

20. What are some of the implicit costs incurred by an entrepreneur in running a firm? How are these implicit costs accounted?

21. What is the shape of LRAC under the modern theory and why is it so?

(6×5=30)

**Part C**

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Define law of demand. State the assumptions, determinants and exceptions of law of demand.

23. Write an essay on price elasticity of demand? State the degrees, measurement and importance of price elasticity.

24. Define indifference curve? Explain its features and different kinds of indifference curves.

25. Examine the traditional theory of costs and show the shapes of the various short run and long run cost curves.

(2×15=30)