

ST. JOSEPH’S UNIVERSITY, BENGALURU -27

BSc. ECONOMICS – I SEMESTER

SEMESTER EXAMINATION: OCTOBER 2023

**(Examination conducted in November /December 2023)**

ECS 1121: Micro Economics

 (For current batch students only)

**Time: 2 Hours Max Marks: 60**

**This paper contains 2 printed pages and 3 parts**

**PART-A**

**Answer any TEN of the following 3\*10 = 30**

1. What is the difference between indifference curve and isoquant?
2. Explain the determinants of demand.
3. What is the difference between short run and long run production function?
4. What is the difference between partial and general equilibrium? Explain with example.
5. What do you mean by marginal rate of technical substitution (MRTS)?
6. What is the difference between price and income elasticity of demand?
7. Draw the indifference curve when consumer has satiation in both the commodities.
8. Define the law of equi-marginal utility.
9. Define iso-cost line and derive it’s slope.
10. What is the difference between interior and boundary optimum?
11. Explain the characteristics of monopolistic competition. Give an example.
12. What is the difference between homogeneous and differentiated products? Give an example.

**PART-B**

**Answer any THREE of the following 5\*3 = 15**

1. Explain the difference between Bandwagon effect and Snob effect.
2. Using compensating variation of income method, prove that price effect is the summation of substitution effect and income effect when both goods are normal.
3. Draw and explain the shapes of average and marginal cost curves.
4. Discuss comparative statics with an example.
5. Explain the relationship among marginal revenue, average revenue and elasticity of demand.

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**PART-C**

**Answer any ONE of the following 15\*1 = 15**

1. Discuss the three stages of production.
2. Explain the features of a perfectly competitive market. Moreover, discuss different situations of short run equilibrium in a perfectly competitive market.

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