

ST. JOSEPH'S COLLEGE (AUTONOMOUS)
MID SEMESTER EXAMINATION – AUGUST 2018
BA ECONOMICS-HEP/EPS/IES/CPE – I SEMESTER
ECA-118 MICRO ECONOMICS

16.8.2018

TIME-1 HOUR

MAX MARKS-30

PART A

Answer any FIVE of the following

3x5=15marks

1. Explain the scarcity definition of economics.
2. Briefly explain the three fundamental problems faced by any economy.
3. Distinguish between deductive and inductive methodology.
4. What is income elasticity of demand?
5. Distinguish between cardinal and ordinal utility analysis.
6. Explain the concept of consumer surplus.
7. Complete the following table.

Units of Apples	Total Utility	Marginal utility
1	18	
2	15	
3	11	
4	11	
5	7	

PART B

Answer any ONE of the following

15x1=15 marks

8. State the law of demand. What are the assumptions and limitations of the law? Briefly explain exceptions to the law of demand.
9. Write a note on price elasticity of demand. What are the different methods used in measuring price elasticity of demand? State and explain the factors that determine price elasticity.

OR

Explain consumer equilibrium using indifference curve analysis.
