

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.A. DEGREE EXAMINATION – ECONOMICS

FIRST SEMESTER – APRIL 2010

EC 1500 - MICRO ECONOMICS - I

Date & Time: 28/04/2010 / 9:00 - 12:00 Dept. No.

Max. : 100 Marks

PART-A

Answer any FIVE questions in not exceeding 75 words.

Each answer shall carry the maximum marks of four only.

(5X4=20 marks)

01. State the Welfare definition of Marshall.
02. Explain the law of Diminishing Marginal Utility with suitable illustration.
03. What are the factors determining the Elasticity of demand?
04. Differentiate between Cardinal and Ordinal utility approach of demand.
05. What is meant by product differentiation? Illustrate with suitable example.
06. Illustrate Marginal Rate of Substitution with a schedule.
07. What are the different types of Elasticity of Demand?

PART-B

Answer any FOUR questions not exceeding 300 words.

Each answer shall carry the maximum marks of ten only.

(4X10=40 marks)

08. Distinguish between Inductive and Deductive methodology and its application.
09. What are the different types of Elasticity of demand?
10. Why does the Demand curve slope downwards from left to right?
11. Distinguish between price effect and income effect.
12. Explain the law of variable proportion with suitable diagrams.
13. Explain the important features of perfect competition.
14. Explain the nature and shape of different cost curves.

PART-C

Answer any TWO questions in not exceeding 900 words.

Each answer shall carry the maximum marks of twenty only.

(2x20=40 marks)

15. Define law of demand with suitable table and diagram? What are the exceptional demand curves?
16. Explain the laws of returns to scale of production with table and diagram.
17. Analyse the superiority of 'Indifference curve' technique over Cardinal utility analysis.
18. Explain how price is determined under monopolistic competition.

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