

**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**



**B.A. DEGREE EXAMINATION – ECONOMICS**

**FIRST SEMESTER – NOVEMBER 2016**

**EC 1500 – MICRO ECONOMICS - I**

Date: 05-11-2016

Dept. No.

Max. : 100 Marks

Time: 01:00-04:00

**PART-A**

Answer any FIVE questions in not exceeding 75 words each:

Each answer shall carry the maximum marks of four only.

(5×4=20 marks)

1. What do you mean by cross elasticity of demand? Mention its importance.
2. State the relationship between total utility and marginal utility.
3. What is marginal rate of technical substitution?
4. Differentiate between perfect competition and pure competition.
5. State the important features of monopolistic competition.
6. Write the meaning of a) Market period price b) Short period price.
7. Distinguish between short run and long run production function.

**PART-B**

Answer any FOUR questions in not exceeding 250 words each:

Each answer shall carry the maximum marks of ten only.

(4×10=40 marks)

8. Critically explain Robin's definition of economics.
9. What are the properties of indifference curves?
10. Give reasons for the U-shape of the long run average cost curve.
11. Describe the long-run equilibrium of the firm and industry under perfect competition.
12. Explain Chamberlin's concept of excess capacity.
13. What are the central problems of an economy? Explain.
14. Bring out the determinants of demand.

**PART-C**

Answer any TWO questions in not exceeding 900 words

Each answer shall carry the maximum marks of twenty only.

(2×20=40 marks)

15. Discuss the methods of theoretical economics.
16. Explain law of diminishing marginal utility. Mention its limitations and importance.
17. State the law of diminishing returns. Explain causes of diminishing returns and general applicability of the law.
18. Critically explain Sweezy's kinked demand curve model of oligopoly.

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