

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.A. DEGREE EXAMINATION – ECONOMICS

FIRST SEMESTER – NOVEMBER 2017

EC 1500 – MICRO ECONOMICS - I

Date: 14-11-2017

Dept. No.

Max. : 100 Marks

Time: 01:00-04:00

PART – A

Answer any FIVE questions in about 75 words each:

(5 x 4 = 20 Marks)

1. Define Price Elasticity of Demand.
2. Explain Diminishing Marginal Utility.
3. What do you mean by Price Effect? Explain.
4. Explain 'Iso-Quant'.
5. Briefly explain the slope of Short Run Average Cost curve.
6. List out the assumptions of Perfect Competition.
7. Explain Kindred Demand curve.

PART – B

Answer any FOUR questions in about 250 words each:

(4 X 10 = 40 Marks)

8. Examine the reasons for downward sloping demand curve.
9. Explain the determinants of elasticity of demand.
10. Discuss the relationship between Total Utility and Marginal Utility.
11. Explain the Law of Variable Proportions with diagram.
12. Distinguish between returns to factor and returns to scale.
13. Explain Market Period Price and Short Period Price.
14. Describe a firm's equilibrium under Selling Cost.

PART – C

Answer any TWO questions in about 900 words each:

(2 X 20 = 40 Marks)

15. Differentiate between Income Effect and Substitution Effect.
16. Analyse the Laws of Returns to Scale.
17. Examine the conditions for equilibrium of firm and industry.
18. Explain the characteristics and price determination under Oligopoly.
