

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



**B.A.DEGREE EXAMINATION –ECONOMICS**

**FIRST SEMESTER – NOVEMBER 2018**

**EC 1500– MICRO ECONOMICS - I**

Date: 22-10-2018

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

**PART – A**

**Answer any FIVE questions in about 75 words each:**

**(5 x 4 = 20 Marks)**

1. State the basic problems of an economic system.
2. Define Price elasticity of demand.
3. Write a short note on Cardinal utility analysis.
4. What is meant by Substitution effect?
5. Infer the meaning of Marginal cost.
6. What is Market period price?
7. What do you mean by Collusive oligopoly?

**PART – B**

**Answer any FOUR questions in about 250 words each:**

**(4 X 10 = 40 Marks)**

8. Examine the factors affecting Elasticity of demand.
9. How Marginal utility and Total utility are associated? Explain.
10. Explain the Law of variable proportions with diagram.
11. Diagrammatically explain the Long run average cost curve.
12. Differentiate between Technical and Economic efficiency.
13. Explain the role of Time element in price determination.
14. Describe Cournot's model of price determination.

**PART – C**

**Answer any TWO questions in about 900 words each:**

**(2 X 20 = 40 Marks)**

15. How the basic problems of an economic system are answered in a Mixed Economy? – Explain.
16. Discuss in detail the Laws of Returns to Scale.
17. Elaborate the short-run price and out determination of firms under perfect competition.
18. Explain the equilibrium of the firm under Monopolistic competition.

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