

**STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86**  
**(For Candidates admitted during the academic year 2011 – 2012 & thereafter)**

**SUBJECT CODE: 11EC/PC/ME14**

**M.A. DEGREE EXAMINATION NOVEMBER 2013**  
**BRANCH III – ECONOMICS**  
**FIRST SEMESTER**

**COURSE : CORE**  
**PAPER : MICRO ECONOMIC ANALYSIS - I**  
**TIME : 3 HOURS**

**MAX.MARKS : 100**

**SECTION – A**

**I. ANSWER ANY FIVE QUESTIONS. (5X8=40)**

1. Measure excess capacity under monopolistic competition. Explain its consequences.
2. Explain the equilibrium position for a price discriminating monopoly firm.
3. Bring out the relationship between returns to scale and cost of production.
4. State and explain various types of costs and their uses in economic theory.
5. Write a note on CES production function.
6. Explain the uses of any four tools of economics in Microeconomic theory.
7. Explain the cost minimization techniques in producer equilibrium.

**SECTION – B**

**II. ANSWER ANY THREE QUESTIONS. (3X20=60)**

8. Explain the revealed preference theory of Paul Antony Samuelson.
9. State and explain the properties of linear homogeneous production functions.
10. Evaluate use of concepts of Margin in economic analysis.
11. Derive long run and short-run cost curves and explain them in detail.
12. “Free entry and free exit of firms secures normal profit for all firms under perfect competition in the long-run”. – Explain.

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