

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2015 – 2016 and thereafter)

SUBJECT CODE: 15EC/MC/ME14
B.A. DEGREE EXAMINATION NOVEMBER 2017
BRANCH IV – ECONOMICS
FIRST SEMESTER

COURSE : MAJOR – CORE
PAPER : MICRO ECONOMICS - I
TIME : 3 HOURS

MAX. MARKS: 100

SECTION – A

ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS
(10x2=20)

1. What is a PPC?
2. Define Price elasticity of demand.
3. What does Ordinal utility refer to?
4. Write a note on Veblen effect?
5. Define Indifference curve.
6. Write a note on MRS.
7. If price increases by 8% and the demand for commodity decreases by 12%. Calculate the price elasticity and state the type of elasticity?
8. What is Slutsky's effect?
9. How is producer's equilibrium determined?
10. What is a Planning Curve?
11. What is a Shutdown point?
12. State the features of a pure competition.

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS
(5x8=40)

13. Explain the exceptions of the demand curve.
14. Describe the properties of Isoquant
15. Explain the law of equi-marginal utility.
16. Discuss some of the crucial problems faced by an economic system.
17. Given the demand function $P= 100-2Q$, where $AC=MC=20$. Determine the firms output, price and profit.
18. Explain the features of perfect competition.
19. Define price discrimination. Examine the equilibrium of a discriminating monopolist.
20. Calculate TC, AC and MC for the following, where

Output	0	1	2	3	4	5
Variable cost	0	20	35	60	100	145

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS (2x20=40)

21. Explain consumer equilibrium with the help of indifference curve. How will a change in consumer's income affect his equilibrium?
22. Define price elasticity of demand. What are the various degrees of elasticity of demand? How will you measure elasticity using the point method? What are the factors influencing price elasticity of demand.
23. Describe the Laws of returns to scale.
24. Explain the price and output under a monopoly market.
