

SRI PADMAVATI MAHILA VISVAVIDYALAYAM: TIRUPATI
(WOMEN'S UNIVERSITY)
DIRECTORATE OF DISTANCE EDUCATION
M.A ECONOMICS (I SEMESTER)
Choice Based Credit System (C B C S)
Model Question Papers – 2023
MAED1.01 - MICRO ECONOMICS - I

Time: 3hrs

Max Marks: 80

Answer any *FIVE* of the following questions with 150 words.

Each question carries equal marks

Section –A

5x4=20

1. Explain the concept of Demand and construct an individual Demand curve.
2. Why does the Demand curve slopes downwards from left to right?
3. Explain the characteristics of indifference curves?
4. State the law of increasing returns to scale.
5. Explain the concept of Supply.
6. What is Production cost?
7. Explain Cross Elasticity of Demand and Income Elasticity of Demand.
8. What do you mean by Consumer Surplus-explain

Section – B

Answer all the questions with 500 Words

Each question carries 12 Marks

12x5=60

- 9 (a) Explain how the demand for a commodity is affected by (i) changes in the prices of other Commodities (ii) Changes in the income of the consumer.

(Or)

- (b) Explain the concept of Price Elasticity of demand and examine the various methods of its measurements.

- 10 (a) Derive a demand curve for a Giffen good by using the indifference curve analysis.

(Or)

- (b) Differentiate between income effect and substitution effect and substitution effect caused by changes in the price of a commodity.

- 11(a) Explain the principle of Marginal Rate of Technical substitution. What are its Limitations.

(Or)

- (b) What are the properties of Cobb-Douglas Production Function – Discuss in detail.

- 12 (a) What is law of Supply, and Elasticity of Supply with suitable illustrations.

(Or)

- (b) Explain the time and elasticity of supply?

- 13 (a) Discuss the nature of short – run and long – run average cost curves. Why is the long – run cost curve flatter than the short – run cost curve.

(Or)

- (b) Explain the Modern Theory of Costs