

1-1-107

SUBJECT: ECONOMICS

SEMESTER- I

Paper I : MICRO - ECONOMICS - 1

Unit -I: Introduction

Nature, Definition and Scope of economics - Micro and Macro, Static and Dynamic, Normative and Positive - Inductive and Deductive approaches - Partial General Equilibrium - Choice as an Economic Problem

Unit -II: Consumer Behaviour

Utility analysis - Cardinal and Ordinal approaches - Law of Diminishing marginal utility, Law of Equi-marginal utility - Indifference curves- Properties of Indifference curves- Price (Budget) line - Equilibrium of the consumer with the help of Indifference curves. Demand analysis - Law of Demand - Elasticity of Demand - Price, Income, and Cross elasticities,- Demand forecasting - Meaning and factors influencing demand forecasting - Consumer's Surplus

Unit -III: Theory of Production

Theories of production - Objectives of a firm - Factors of Production - Concept of Cobb-Douglas production function - Law of Variable Proportions, Law of Returns to Scale - Isoquant approach.

Unit -IV: Costs and Revenue Analysis

Different Concepts of Revenue and costs - Equilibrium of the Firm - Break-Even analysis

Unit -V: Supply

Theory of Supply - determinants of Supply - Supply function - Elasticity of supply - types of elasticity of supply.

[Additional Input Underlined]

Suggested Books:

1. R.G. Lipsey and K.A. Chrysal - — ECONOMICS Oxford University press, 10/e 2004
2. P.A. Samuelson & W.D Nordhaus - — ECONOMICS Tata mc.Graw Hill, 18/e, 2005
3. N.Gregory Mankiw - —Principles of Economics, Thompson, 4/e 2007
4. H.L. Ahuja - —Advanced Economic Theory, S Chand, 2004
5. M.L.Sethy - — Micro Economics, Laxmi Narayana Agarwal, 2007
6. D.M. Mithani & G.K Murthy - —Fundamentals of Business Economics, Himalaya Publishing, 2007
7. Telugu Academy Publications
8. AUSSDE - Study material
9. Bilas, A.—Micro economic Theory, International Student edition, Mc. Graw Hill, 1971
10. Dr. N.Koti Reddy - —Dictionary of Economics, Samatha Publications, 2011.

**Signature of the
Chairman (B.O.S.)
(20.....Exams)**

1-1-107

SRI VENKATESWARA UNIVERSITY: TIRUPATI
THREE YEAR B.A. DEGREE EXAMINATION: SEMESTER SYSTEM 2007-08
I YEAR B.A. EXAMINATION: SEMESTER I
PART - II: ECONOMICS PAPER: MICROECONOMICS - I
MODEL QUESTION PAPER

Time: 3 Hours

Maximum Marks: 75

PART: A

Answer any **five** questions

5 x 15 Marks = 75 Marks

- 1 Robbins definition
- 2 Static and Dynamics
- 3 Breakeven point
- 4 Engle curve
- 5 Deductive method
- 6 Income effect
- 7 Production function
- 8 Price line
- 9 Fixed and variable cost
- 10 Breakeven point

PART: B

Answer **one** question from each unit

5 x 12 Marks = 60 Marks

Unit - I

- 11 Distinguish between Micro and Macro economics.

or

- 12 Explain the types of price elasticity of demand.

Unit - 2

- 13 State the law of demand. Why does the demand curve slope downward?

or

- 14 Explain the concept of consumer's surplus.

Unit - 3

- 15 What is an isoquant? What are its properties?

or

- 16 Examine the cardinal and ordinal approaches.

Unit - 4

- 17 Explain the Law of Equi-marginal utility and point out its limitations.

or

- 18 Determine consumer's equilibrium through indifference curve analysis.

Unit - 5

- 19 Describe the properties of Cobb-Douglas production function.

or

- 20 Define returns to scale. Explain different types of returns to scale.

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