

Reg No:.....

Name :.....

21

First Semester FYUGP Economics Examination
NOVEMBER 2024 (2024 Admission onwards)
KU1DSCECO101 (INTRODUCTORY MICROECONOMICS)
(DATE OF EXAM: 2-12-2024)

Time : 120 min

Maximum Marks : 70

Part A (Answer any 6 questions. Each carries 3 marks)

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| 1. Distinguish between extension and contraction of demand. | 3 |
| 2. What do you mean by supply schedule and supply curve? | 3 |
| 3. What do you mean by marginal cost? | 3 |
| 4. Define Average Cost and Marginal Cost | 3 |
| 5. What is the link between AR and TR? | 3 |
| 6. Distinguish between VMP and MRP | 3 |
| 7. What do you mean by MPP and VMP? | 3 |
| 8. Differentiate between quasi-rent and economic rent | 3 |

Part B (Answer any 4 questions. Each carries 6 marks)

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| 9. Differentiate between fixed cost and sunk cost with suitable examples. | 6 |
| 10. Explain the relationship between AR, MR and price elasticity | 6 |
| 11. Examine the link between production and cost with a hypothetical table and graph | 6 |
| 12. Illustrate with a hypothetical table and graph how VMP and MRP are derived from MPP? | 6 |
| 13. Illustrate and explain producer surplus and explain how it is different from consumer surplus. | 6 |
| 14. Illustrate and explain the concept of consumer surplus. | 6 |

Part C (Answer any 2 question(s). Each carries 14 marks)

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| 15. What is the subject matter of microeconomics? Why do we study Microeconomics? | 14 |
| 16. Explain trinity problems of an economy. How are they solved in a market economy? | 14 |
| 17. Graphically demonstrate degrees of price elasticity of demand. | 14 |