

Reg. No .....

Name .....

24U228

**B. A. DEGREE END SEMESTER EXAMINATION - MARCH 2024**  
**SEMESTER 2 - ECONOMICS**

**COURSE : 19U2CRECO2 - PRINCIPLES OF MICROECONOMICS**

*(For Regular - 2023 Admission and Improvement / Supplementary – 2022/2021/2020/2019 Admissions)*

Time : Three Hours

Max. Marks: 75

**PART A**

**Answer All (1 mark each)**

1. Distinguish between fixed cost and variable cost.
2. Write two characteristics of resources.
3. Define pragmatic approach.
4. what is behaviourist approach in consumer analysis?
5. Define inferior goods.
6. What is ordinal utility?
7. State the law of demand.
8. State the scarcity definition of economics.
9. Define Iso-cost line.
10. Distinguish between marginal product and average product.

**(1 x 10 = 10)**

**PART B**

**Answer any 8 (2 marks each)**

11. What is meant by producer equilibrium?
12. What are the causes of diseconomies of scale?
13. Explain the relation between revenue and elasticity.
14. Explain why the demand curve slopes downward.
15. What do you mean by centrally planned economy?
16. What are the reasons for the 'U' shape of the average cost curve?
17. Distinguish between weak ordering and strong ordering.
18. State the growth definition of economics.
19. Why the two indifferences do not intersect each other?
20. What are the exceptions to law of demand?

**(2 x 8 = 16)**

**PART C**

**Answer any 5 (5 marks each)**

21. Explain the problem of 'What to Produce' with the help of an example.
22. Distinguish between point elasticity of demand and arc elasticity of demand.
23. Critically examine the law of equi-marginal utility.
24. Explain changes and Shift in demand and supply.
25. Illustrate the the changes in budget line when prices of the commodity and income level changes.
26. Explain isoquant with the help of a diagram.
27. Explain the economies of large scale production.

**(5 x 5 = 25)**

**PART D**

**Answer any 2 (12 marks each)**

28. Explain the modern theory of cost.
29. Examine the long run production function with the help of examples.
30. What is the price elasticity of demand? Explain degrees and measures of price elasticity of demand?
31. What is price effect? explain the decomposition of price effect into income effect and the substitution effect?

**(12 x 2 = 24)**