Reg No:..... K24FY1320
Name :.....

# First Semester FYUGP Economics Examination
# NOVEMBER 2024 (2024 Admission onwards)
# KU1DSCECO101 (INTRODUCTORY MICROECONOMICS)

(DATE OF EXAM: 2-12-2024 )

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Time : 120 min Maximum Marks : 70

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

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)**

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)**

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

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