B.A DEGREE (CBCS)EXAMINATION, AUGUST 2021

Third Semester

COMPLEMENTARY COURSE - EC3CMT01 - PRINCIPLES OF ECONOMICS

Common to B.A History Model I, B.A Political Science Model I & B.A Sociology Model I

2017 Admission Onwards

FBB1F0FA

Time: 3 Hours   Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Define the concept micro economics.

2. Define positive economics.

3. What is Production Possibility Curve?

4. What is national market?

5. What is Giffen paradox?

6. Suppose the price of apple is Rs.50 per kg and the quantity demanded is 3kg.When the price of apple increased from Rs.50per kg.to Rs.70 and the quantity demanded decreased to 2kg.Calculate the price elasticity of demand using percentage method .

7. State the Law of supply.

8. Graphically illustrate the concept of consumer's surplus.

9. Define the concept total Product?

10. What is constant returns ?

11. What is increasing returns to scale?

12. What is product differentiation?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Economics is a science of wealth. Discuss.

14. Distingush between the deductive and inductive methods.

15. Discuss the features of socialism.

16. Examine the difference between decrease in demand and decrease in quanity demanded

17. Sharika buys 4books when the price of a book is Rs .20. Sharika purchased 3 books when the price of a book is increased to Rs.22.Calculate the total expenditure for the book before and after the price change and also find the price elasticity of demand for book.

18. Draw a supply curve with help of a supply schedule and also explain it.

19. Discuss the law of diminishing marginal utility.

20. Explain the salient features of perfect competition.

21. Bringout the difference monopoly and monopolistic competition.

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. What is economics? Explain the significance of economics.

23. Explain how does an economic problem arise? State three basic problems in an economy.

24. What is market equilibrium and explain how does the shifts in demand and supply affect market equilibrium?

25. Explain different concepts of cost with numerical examples.

(2×15=30)