Reg. No.: ....

Name: ....

W7526

University of Kerala

First Semester FYUGP Degree Examination, December 2025

Discipline Specific Core Course

ECONOMICS

UK1DSCECO100 - Principles of Economics

Academic Level: 100-199

2024-Admission

Time: 2 Hours(120 Mins) **Max. Marks: 56**

Part A.6 Marks:Time 5 Minutes.(Cognitive Level :Remember(RE)/Understand(UN)) Objective Type.1 mark each, Answer all questions

Qn No.	Question	CL	CO
1	Positive economics deals with: Options : A)Value judgments B)What ought to be C) What is, and can be verified D)Ethical opinions	RE	1
2	Who supported the wealth definition of economics Options : A)Lionel Robbins B)Alfred Marshall C)Adam Smith D)Keynes	RE	2
3	What is the relationship between inflation and unemployment? Options : A)Positive B)Negative C)Nuetral D)None of these	UN	1
4	Absolute cost advantage theory was developed by Options : A)Alfred marshall B)David Ricardo C)Adam Smith D)J.S.Mill	UN	4
5	Consumer surplus is defined as: Options : A)Total revenue minus total cost B)Difference between price paid and price the consumer is willing to pay C)Difference between marginal revenue and marginal cost D)Amount saved by producers	UN	2
6	Comparative advantage refers to	UN	2

Qn No.	Question	CL	CO
	Options : A)Being best at everything B)Lowest relative Opportunity cost C)Highest cost D)Zero Cost		

Part B.10 Marks.Time:20 Minutes (Cognitive Level:Understand(UN)/Apply(AP))Two-three sentences.2 marks each.Answer all questions

Qn No.	Question	CL	CO
7	Define Disposable income	UN	3
8	Explain 'conspicous consumption'	UN	2
9	Differentiate between growth and development.	AP	3
10	Analyze the behaviour of Output and Employment during the Boom	AP	2
11	Define *average revenue* and *marginal revenue*.	AP	3

Part C.16 Marks.Time:35 Minutes.(Cognitive Level :Apply(AP)/Analyse(AN))Short Answer.4 marks each, Answer all 4 questions,choosing among options * within each question

Qn No.	Question	CL	CO
12	A) Analyse the major causes and effects of inflation in an economy. OR B) Explain the features of phases of business cycles	AP	2, 2
13	A) Apply the concept of Human Development Indicators (HDI) to explain how two countries with similar GDP can still show different levels of development. OR B) Explain the role of assumptions in economic analysis.	AP	2, 2
14	A) Analyse the effects of climate change for developing economies. OR B)	AN	3, 2

Qn No.	Question	CL	CO
	Analyse how the law of diminishing marginal returns shapes the short-run cost curves (MC, AVC, ATC).		
15	A) Explain the law of returns to scale OR B) Analyse the challenges faced by developing countries when attempting to achieve growth	AN	1, 4

Part D.24 Marks.Time: 60 Minutes.(Cognitive Level :Analyse(AN)/Evaluate(EV)/Create(CR)) Long Answer 6 Marks each.Answer all 4 questions choosing among options * within each question

Qn No.	Question	CL	CO
16	A) Examine how a consumer attains equilibrium using indifference curve approach OR B) Analyze Circular flow of income in an economy?	AN	3, 3
17	A) Evaluate the different measures of development? OR B) Evaluate the effectiveness of monetary policies in controlling inflation.	EV	5, 3
18	A) National income can be measured in different ways and expressed through different concepts. Explain the various methods of measuring national income and analyse the significance of major national income aggregates. OR B) Explain how the law of returns to scale helps a firm in planning and cost control.	EV	3, 4
19	A) Graphically depict three stages of production with one variable input OR B)	CR	2, 2

Qn No.	Question	CL	CO
	Complete the following table and derive TR, AR, MR curves. <table><tr><td>Output</td><td>Price (P)</td></tr><tr><td>0</td><td>40</td></tr><tr><td>1</td><td>35</td></tr><tr><td>2</td><td>30</td></tr><tr><td>3</td><td>25</td></tr><tr><td>4</td><td>20</td></tr><tr><td>5</td><td>15</td></tr><tr><td>6</td><td>5</td></tr><tr><td>7</td><td>3</td></tr></table>		