

**FIVE YEAR INTEGRATED B.A., LL.B. (HONOURS) DEGREE  
EXAMINATION, FEBRUARY 2025**

**First Semester**

**FP 2—ECONOMICS I—PRINCIPLES OF ECONOMICS**

(2024 Admissions—Regular/2018—2023 Admissions—Supplementary)

Time : Three Hours

Maximum : 75 Marks

**Part A**

*Answer any five questions.*

*Each question carries 3 marks.*

1. Define Wealth, Welfare and Growth and discuss how they are interlinked in studying the nature and scope of economics.
2. What is Micro Economics ? State the difference between Micro Economics and Macro Economics.
3. What is mixed economy ? Explain the basic features of mixed economy as one of the prevalent economic systems.
4. Explain Gandhian economic principles and its relevance in the prevalent economic systems.
5. Define and explain demand, distinguishing between individual demand and market demand.
6. Explain shift in demand, supply and price discussing the meaning of elasticity of demand.

(5 × 3 = 15 marks)

**Part B**

*Write short essays on any three questions.*

*Each question carries 10 marks.*

7. Distinguish between Positive and Normative Economics and discuss whether economics is a Positive science or ought to be normative, stating the reasons.
8. Discuss the basic economic problems attempting a comparative evaluation of the merits and defects of basic features of prevalent economic systems, developed by the evolution of ideologies relating to capitalism, socialism and mixed economy or again Gandhian Economic Principles.
9. Discuss the Law of Diminishing Marginal Utility and the Law of Equi Marginal Utility.

**Turn over**

10. Explain the main market forms relating to Perfect Competition, Monopoly and Monopolistic Competition. Discuss price and output determination under perfect Competition and Monopoly.

(3 × 10 = 30 marks)

### Part C

Answer any **two** questions.

Each question carries 15 marks.

11. Discuss the law of demand and exceptions to the law of demand. What is meant by Demand curve? Explain stating the characteristics of demand curve in detail.
12. According to Marshall "Demand and Supply operate like two blades of shears. Both are necessary and neither can do an act alone in a competitive market price can be established only by the action of both buyers and sellers." Discuss the law of supply with the help of diagram showing the interaction of demand and supply curves fixing prices at equilibrium.
13. Discuss the basic concepts of costs examining opportunity cost. Explain production function and law of variable proportions.

(2 × 15 = 30 marks)