BACHELOR'S OF ARTS PROGRAMME

(B.A.G/BAM)

ASSIGNMENT 2026-27

COURSE CODE: BECC-131

PRINCIPLES OF MICROECONOMICS - I

SCHOOL OF SOCIAL SCIENCES

INDIRA GANDHI NATIONAL OPEN UNIVERSITY

MAIDAN GARHI, NEW DELHI-68

Dear Students,

As we have informed you in the Programme Guide, evaluation at IGNOU consists of two parts: i) continuous evaluation through assignments, and ii) term-end examination. In the final result, assignments of a course carry 30% weightage while 70% weightage is given for term-end examination.

You will have to do three Tutor Marked Assignments (TMA) for a six credit course and two TMAs for a four credit course. This Assignment booklet has TMAs for the core course **BECC- 131 Principles of Microeconomics- I** which is a six-credit course. The booklet therefore has three TMAs whose total marks add up to 100 and carry a weightage of 30%.

Assignment One has Descriptive Category Questions (DCQs). These are meant for writing essay type answers, with an introduction and a conclusion. These are intended to test your ability to describe your understanding/knowledge about the topic in a systematic, to-the-point and coherent manner.

Assignment Two has Middle Category Questions (MCQs). These questions require you to first analyse the topic in terms of arguments and explanations and then write the answers in a concise manner. They are meant to test your ability to distinguish, compare and contrast, or clear understanding of the concepts and processes.

Assignment Three has Short Category Questions (SCQs). These questions are meant to improve your skill of recall in brief the relevant/precise information about persons, writing, events, or clear understanding of concepts and processes.

Before you attempt the assignments, please read the instructions carefully provided in the Programme Guide. It is important that you write the answers to all the TMA questions in your own words. Your answers should be within the approximate range of the word-limit set for a particular section. Remember, writing answers to assignment questions will improve your writing skills and prepare you for the term-end examination.

As mentioned in the Programme Guide, you need to submit all the assignments within the stipulated time for being eligible to appear in the term-end examination. .

The assignments should be submitted to the Coordinator of your Study Centre as per the following schedule:

1. **By 31st March, 2027 by the students who are appearing in term-end exams in June 2027**.

2. **By 30th September, 2027 by the students who are appearing in term-end exams in December 2027.**

You must obtain a receipt from the Study Centre for the assignments submitted and retain it. If possible, keep a Xerox copy of the assignments with you.

The Study Centre will have to return the assignments to you after they are evaluated. Please insist on this. The Study Centre has to send the marks to the Student Evaluation Division at IGNOU, New Delhi.

We expect you to answer each question as per guidelines for each category as mentioned in the assignment. You will find it useful to keep the following points in mind:

1) **Planning:** Read the assignments carefully, go through the Units on which they are based. Make some points regarding each question and then rearrange them in a logical order.

2) **Organisation:** Be a little selective and analytic before drawing up a rough outline of your answer. Give adequate attention to your introduction and conclusion.

   Make sure that your answer:

   a) is logical and coherent;

   b) has clear connections between sentences and paragraphs, and

   c) is written correctly giving adequate consideration to your expression, style and presentation.

3) **Presentation:** Once you are satisfied with your answer, you can write down the final version for submission, writing each answer neatly and underlining the points you wish to emphasize. Make sure that the answer is within the stipulated word limit.

PRINCIPLES OF MICROECONOMICS I
Tutor Marked Assignments

Course Code: BECC-131
Assignment Code: Asst /TMA /2026-27
Total Marks: 100

ASSIGNMENT ONE

Answer the following Descriptive Category questions in about 500 words each. Each question carries 20 marks.

2 × 20 = 40

1. (a) Explain the determinants of demand for a consumer.

   (b) Given Find the cross-price elasticity of demand. Are the goods substitutes or complements? P= 80,000 & 75,000 Q= 5000 & 5,500

2. (a) What is an Isoquant? Explain the characteristics of an isoquant.

   (b) Using isoquant and iso-cost line, explain the producer's equilibrium when the output is maximum for a given cost.

ASSIGNMENT TWO

Answer the following Middle Category questions in about 250 words each. Each question carries 10 marks. Word limit does not apply in case of numerical questions.

3 X 10=30

3. What is a Production Possibility Curve? Explain its characteristics.

4. Long-run average cost curve is the envelope of the short-run total cost curves." Explain with diagram.

5. Explain the three stages of production in short-run, using law of variable proportions. Why should a rational producer under competitive conditions produce in stage-II.

ASSIGNMENT THREE

Answer the following Short Category questions in about 100 words each. Each question carries 6 marks.

5 X 6=30

6. Explain how does ‘scarcity’ lie at the root of all economic activities?
7. What are economies and diseconomies of scale? Explain
8. Given the following supply and demand functions of a commodity X, determine its equilibrium price and quantity.

   $Q_d = 4500 - 1200P_x$

   $Q_s = -9500 + 2375P_x$
9. Distinguish between sunk cost vs. fixed cost.
10. Explain Cardinal and ordinal utility approach.