D1BEC2201   (PAGES 2)   Reg.No............................

Name: ....

FIRST SEMESTER BA DEGREE EXAMINATION, NOVEMBER 2022
(Regular/Improvement/Supplementary)
ECONOMICS
GECO1B01T: MICRO ECONOMICS - I

Time: 2 ½ Hours   Maximum Marks: 80

SECTION A: Answer the following questions. Each carries 2 marks.
(Ceiling 25 Marks)

1. Define economics.

2. What are the central problems of an economy?

3. Explain the following concepts.

   a) Scarcity   b) Wealth   c) Welfare   d) Growth

4. What is deductive method?

5. Distinguish between Short Run and Long Run.

6. Describe Positive externality.

7. Is indifference curve ordinal or cardinal? Explain.

8. Describe Budget Line.

9. What are the important factors of production?

10. What is Iso-cost line?

11. Explain opportunity cost.

12. What are the advantages of division of labour and specialization?

13. What is Isoquant curve?

14. Distinguish between explicit and implicit costs.

15. What is minimum optimal scale of plant?

SECTION B: Answer the following questions. Each carries 5 marks.
(Ceiling 35 Marks)

16. What are the merits and demerits of inductive method?

17. Is value judgment necessary for a welfare economy? Substantiate your answer.

18. Explain Extension and Contraction of Supply.

19. "Market demand is the sum of individual demand schedules" Explain with the help of table and graph.

20. Explain the concept of total utility with numerical example.

(PTO)

21. What do you mean by Revealed Preference Axiom?

22. Prove that as per Cobb-Douglas production function, average and marginal products of factors depends on their ratio in the production function.

23. What is cost function? Explain its importance.

SECTION C: Answer any 2 questions. Each carries 10 marks.

24. Explain the Point and Arc Method of Measuring price Elasticity of Demand.

25. State the superiority of Hickian indifference curve analysis over the law of diminishing marginal utility and equi-marginal utility principle.

26. Explain the constant and decreasing returns to scale in production. Bring out the reasons for it.

27. Given the TFC of 200, find out TVC, AFC, AVC, and Ac from the following production data of a firm.

Output	0	1	2	3	4	5	6	7	8
Total Cost	200	210	218	224	232	250	272	296	326

(2 x 10 = 20 Marks)