

CLASS XII

SA-1

Subject :- Economics

Time : 3 hrs

M.M 100

General Instruction :

- ✓ All questions are compulsory.
- ✓ Marks are mentioned against each question.
- ✓ Answers should be brief and to the point

- Q.1 Define marginal Rate of transformation. [1]
- Q.2 Give two examples of variable cost. [1]
- Q.3 What do you mean by Monotonic preference? [1]
- Q.4 Opportunity cost is the
- i). No of units sacrificed
 - ii) No of units gained
 - iii) Cost of next best alternative foregone [1]
- Q.5 Give equation of budget set. [1]
- Q.6 Give the meaning of "returns to a factor". [1]
- Q.7 What is market supply of a product? [1]
- Q.8 Under which market form, a firm is a "price taker"? [1]
- Q.9 What is meant by "Collusive oligopoly" [1]
- Q.10 What is cost in economics ? [1]

Q.11 Explain central problem of "For whom to produce". [3]

Q.12 Explain the behaviour of average revenue and marginal revenue of a firm when more sale is possible at given price. Use diagram. [3]

Q.13. Why does the difference between ATC and AVC decreases with an increase in the level of output? Can these two be equal at some level of output? Explain. [3]

Q.14. Define law of Demand. Use schedule and diagram. [3]

Q.15 How does "technological advancement" affect supply of a commodity? [3]

Q.16 Explain any two features of Monopoly market. [3]

Q.17 Complete the following table. [4]

Output (units)	:	1	2	3	-
TVC (Rs)	:	10	-	27	-
AVC (Rs)	:	-	8	-	10
MC (Rs)	:	-	6	-	13

Q. 18 The market price of a good changes from Rs 10 to Rs 8. As a result the quantity demanded rises by 24 units. The price elasticity of demand is

1	20	20
2	40	10
3	60	10
4	70	20

$$\frac{3-9}{4-20}$$



$$AR = \frac{TR}{Q}$$

$$MR = \frac{TR_n - TR_{n-1}}{Q_n - Q_{n-1}}$$

[3]. Find initial and final demand.

[4]

Q.19 What will happen to production possibility curve due to "Beti Bachao Beti Pado" abhiyan. Explain using diagram.

[4]

Q.20 A Consumer consumes only two goods and is in equilibrium. State the impact of a 25% rise in income of the consumer due to 7th Pay commission using indifference curve approach ?

[4]

Q.21 Explain Conditions of consumer's equilibrium in case of single good. [4]

Q.22 complete the following table.

[4]

Out- put (Units)	TR (RS)	MR (RS)	AR (RS)
1	-	-	8
2	-	4	-
3	12	-	4
4	8	-	2

Q.23 Explain the law of variable proportion with the help of TP and MP curves

[6]

Q.24 Explain how does change in the income of the consumer affect his demand for a commodity. Use diagram. [6]

Q.25 A consumer consumes two goods X & Y. State and explain the conditions of consumer's equilibrium with the help of utility analysis. [6]

Q.26 Explain (a) the implications of free entry and free exit of firm under perfect competition.

(b) Interdependence of firms in oligopoly market. [3+3]

Q.27 Explain the effect of "maximum price ceiling" on the market of a good use diagram. [6]

Q.28. The price of good x is Rs 20 per unit and it remains constant. Find out the level of output at which producer is in equilibrium. Give reasons for your answer. [6]

Output (Units)	1	2	3	4	5	6	7
TC (Rs)	26	45	60	76	94	114	142

Q. 29 a) difference between shift in supply curve and movement along the supply curve.

b) Relationship between AP and MP

(4 +2)

Q30. Explain three properties of indifference curve.

[6]