

Delhi Public School, Jammu
Session (2014-2015)

Class: XII

Sub: Economics

Topics:-Unit – III (Production function, cost, revenue, supply, producer equilibrium)

General Instructions :

1. Q.no 1- 5 are very short type and are required to be answered in one sentence each.
2. Q.no 6-7 are short type and are required to be answered upto 60 words.
3. Q.no 8- 9 are short type and are required to be answered upto 70 words.
4. Q.no10 is long type and is required to be answered upto 100 words.

Q1. When MPP is falling and positive, at what rate TPP is changing.

Q2. Can there be some fixed cost in the long run? If not why?

Q3. Why is MR curve below the AR curve?

Q4. What are implicit costs?

Q5. What is production function?

Q6. Why is the average cost curve in the short run U-shaped?

Q7. Explain the concept of producer equilibrium with the MR-MC approach.

Q8. Because of a cyclone in a coastal area, the sea water covers a lot of rice fields. This reduces the productivity of land. How will it affect the supply curve of rice of that region?

Q9. Calculate Total Variable Cost and Marginal Cost from the following:

Output(units):	0	1	2	3	4
TC(Rs):	40	60	78	97	124

Q10. State and explain the law of Variable proportions.