

Answer any 2 questions from 31 to 33 Each carries 8 scores  
(2x 8 = 16)

31. ( a ) Differentiate TFC and TVC

(b) Complete the table

q	TFC	TVC	TC	AFC	AVC	SAC	SMC
0	60						
1		30					
2			100				
3				20	15		
4						28	
5							45

32.A consumer wants to consume two goods. The prices of two goods are 10/- each. Income of the consumer is 50/-. Based on the data:

- Draw a budget line
- What happens to the BL if income increases to 100
- Describe with help of a diagram.

33.(a) Difference between short run production function. and long run production .

(b) Explain law of variable proportions with the help of a diagram

Name of School.....

## First Term Examination Aug.2025

### Economics

Time: 21/2 hrs

Plus Two

Score: 80

Answer any 8 questions from 1 to 10. Each carries 1 score. (8 x1 = 8)

1.The book 'The Wealth of Nations' was published in the year:

- (a) 1929 (b) 1776 (c) 1946 (d) 1936

2.'For whom to produce' is the problem related to

- (a) Technology of production (b) Selection of Goods and Services  
(c) Distribution of National Income (d) Price Determination

3.If consumer's income increases, the demand for inferior goods

- (a) Increase (b) Constant (c) Decrease (d) None of these

4.An example of micro economic variable is:

- a) National income b) GDP c) NDP d) Individual income

5.The word marginal means.....more units

- a) Three b) Two c) One d) None of these

6. ....represents the value of perfectly inelastic demand?

- (a)  $e_D = 0$  (b)  $e_D = 1$  (c)  $e_D > 1$  (d)  $e_D = \infty$

7. Wants Satisfying Capacity of a Commodity is known as:

- (a) Production (b) Utility (c) Consumption (d) Demand

8.When output is zero, Total Variable Cost (TVC) will be:

- a) Increasing b) Decreasing c) Zero d) One

9.  $TFC + TVC =$

- a) MC    b) AC    c) AVC    d) TC

10. In the long run, a firm can change:

- a) Only raw materials    b) Only labour    c) Only capital    d) All inputs

**Answer any 4 questions from 11 to 15. Each carries 2 scores. (4X 2 = 8)**

11. Distinguish between short-run and long-run production process.

12. Write down any two features of Indifference curve.

13. Define isoquant ?

14. Define production possibility curve/ frontier?

15. Distinguish between Cardinal and Ordinal utility analysis

**Answer any 4 questions from 16 to 20. Each carries 3 scores.**

**(4X 3 = 12)**

16. Jomon wants to buy rice and wheat with the money income of 80 Rs. Its market prices are 10 and 16 respectively. Find the horizontal intercept, vertical intercept and slope of the budget line.

17. Draw the outline of a PPC and mark the following situations: A- Fuller utilization of resources B- Under utilization of resources C- Increase/over utilisation in resources/ Technology

18. What is meant by Average product and Marginal product

19. Write any three factors determining demand.

20. Define substitute goods' Give two Examples.

**Answer any 4 questions from 21 to 25 Each carries 4 scores.**

**(4 X 4 = 16)**

21. Distinguish between Total utility (TU) and Marginal utility (MU).

22. Differentiate micro and macro economics.

23. Difference between        Market economy and        Centrally        planned economy.

24. Explain any two central problems of an economy.

25. Distinguish between movement along the demand curve and shift in demand curve.

**Answer any 4 question from 26 to 30. Each carries 5 scores.**

**(4 X 5 = 20)**

26. Explain the optimal choice of a consumer (consumer's equilibrium) with the help of a diagram

27. Calculate TU and draw TU and MU curves

Qty	0	1	2	3	4	5
MU		8	7	5	2	0
TU						

28. (a) Define Indifference curve. (b) Draw Indifference Map.

29. Write any four relationship between TU and MU.

30. Explain Preferred and Inferior bundles with the help of a diagram.