

## Second Formative Examination (Oct. 2023)

Date : 20/10/2023

Subject: Economics

Std:- XII

Maximum Marks: 20

Duration: 1 hour

Instructions to candidates:

- i) All questions are compulsory
- ii) Marks for each question are indicated against each to the right.
- iii) Question Nos. 1 & 2 are objective type questions carrying 1 mark each.
- iv) Question Nos. 3 & 4 are short answer type questions carrying 2 marks each.  
Answer should not exceed 40 words each.
- v) Question Nos. 5 – 7 are also short answer type questions carrying 3 marks.
- vi) Question Nos. 8 are long answer type questions carrying 5 marks each.  
Answer should not exceed 100 words.
- vii) Internal choice to be exercised in question No. 8

1. A market form with one seller and large number of buyers (1)
  - a) Monopolistic Competition
  - b) Perfect Competition
  - c) Oligopoly Market
  - d) Monopoly Market
2. A market form in which firms collude to form a cartel (1)
  - a) Oligopoly Market
  - a) Monopoly Market
  - b) Perfect Competition
  - c) Monopolistic Competition
3. Classify the following cost as fixed or variable cost (2)  
Cost on raw material, License fee, cost of plant and machinery, salary of permanent staff
4. Based on the following information, name the stages of production as per the Law of Variable Proportions: (2)
  - a) The stage where Total Product is increasing at an increasing rate and Marginal Product is increasing.
  - b) The stage where Total Product is decreasing and Marginal Product is negative.
5. Draw supply curve for the following price elasticities of supply (3)
  - a) Relatively Inelastic Supply
  - b) Relatively Elastic Supply
  - c) Unitary Elastic Supply
6. Explain any three features of Monopoly market. (3)
7. Explain the concept of expansion of supply with the help of a diagram (3)
8. Explain the changes in equilibrium price with the help of diagrams on the basis of the following situations: (5)
  - a) Increase in demand, supply constant
  - b) Decrease in demand, supply constant

OR

Explain the changes in equilibrium price with the help of diagrams on the basis of the following situations:

- a) Increase in supply, demand constant
- b) Decrease in supply, demand constant