

Model Question Paper
Cost and Revenue - Part I
12th Standard

Economics

Reg.No. :

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- I. Answer all the questions.
- II. Use blue pen only.
- III. Question number 16 is compulsory.

Time : 01:00:00 Hrs

Total Marks : 85

5 x 1 = 5

Part-A

- 1) Real cost is
(a) pain and sacrifice (b) subjective concept (c) efforts and foregoing leisure (d) All the above
- 2) Economic cost includes explicit cost and
(a) implicit cost (b) social cost (c) fixed cost (d) money cost
- 3) social costs are those costs
(a) not borne by the firms (b) incurred by the society (c) health hazards (d) all of these
- 4) Average fixed cost is obtained by dividing
(a) TC/Q (b) TFC/Q (c) TVC/Q (d) None
- 5) Marginal revenue is the least addition made to the
(a) average revenue (b) Total production (c) Total revenue (d) none

Part-B

- 6) Bring out the distinction between short run and long run.
- 7) Define 'opportunity cost'.
- 8) What are economic costs ?
- 9) Define marginal cost ?
- 10) Mention the relationship between MC and AC.

5 x 3 = 15

Part-C

- 11) Give a note on long run average cost curve.
- 12) Explain the relationship between AR and MR curve
- 13) Explain the short run average cost curves
- 14) Explain the marginal cost with suitable illustration.
- 15) Explain the relationship between SAC and SMC.

5 x 10 = 50

Part-D

- 16) a) Explain various costs incurred by the firm.
- b) Explain TC, AC and MC curves.

2 x 20 = 40

(OR)
