



Date: 4/11/24
GRADE: XI

MONTHLY TEST -01 (2024-25)
ECONOMICS

Max marks: 20
Time: 50 minutes

General Instructions:

- There are 9 questions in the question paper. All questions are compulsory.

Qn. No		Marks allocated															
1	2 nd Phase	1															
2	(b) Both assertion and reason are true and reason is not the correct explanation of assertion.	1															
3	(a) 100 units	1															
4	(a) Both the statements are false	1															
5	The law of supply states that as Price increases supply increases other factors remaining constant. Thus there is direct relationship between price and supply. The supply curve slopes upwards	3															
6	The factors that determine market supply are Price of the given commodity Price of other goods Government policy Technology used	3															
7	Supply is the amount of product available for a sale at a given price during a period of time. While stock is the amount of goods available for supply at a particular point of time.	3															
8	Calculate Marginal cost and Total cost from the following cost schedule of a firm whose Total Fixed costs are Rs.15	2															
	<table border="1"> <thead> <tr> <th>units</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> </tr> </thead> <tbody> <tr> <td>TC</td> <td>25</td> <td>34</td> <td>43</td> <td>55</td> </tr> <tr> <td>MC</td> <td>25</td> <td>9</td> <td>9</td> <td>12</td> </tr> </tbody> </table>	units	1	2	3	4	TC	25	34	43	55	MC	25	9	9	12	1
	units	1	2	3	4												
TC	25	34	43	55													
MC	25	9	9	12													

9	<p>The law of variable proportion states that when quantity of one input is increased, the marginal product will eventually decrease. This is because the additional output produced by the variable input will become smaller and smaller after a certain points</p> <p>In the 1st Phase total product increases at an increasing rate, marginal product rises</p> <p>In the 2nd Phase total product increases at a decreasing rate and marginal product falls but remains positive</p> <p>In the 3rd phase total product starts falling and marginal product becomes negative</p>	4
THE END		