

Subject- Economics

Class- 12th

Topic- Holiday Assignment

Solve the following questions.

1. An example of transfer payment is,

- (i) Free meals in the company canteen
- (ii) Employers' contribution to social security
- (iii) Retirement pension
- (iv) Old age pension

2. Evaluate the marginal product for the following.

Variable Factor	Unit 0	1	2	3	4	5	6
Total Unit	0.	5.	13	23	28	28	24

3. Why Average Fixed Cost curve never touches "x" axis though lies very close to the x-axis?

4. Explain the meaning of implicit cost and explicit cost.

5. Write down formula of following terms,

- (i) TC
- (ii) TFC
- (iii) TVC
- (iv) AC
- (v) AVC
- (vi) AFC
- (vii) MC

6. Explain relationship between TR and MR.

7. Complete the following table

Output(in units)	Total Revenue	Marginal Revenue	Average Revenue
1			8
2		4	
3	12		
4	8		2

8. Consumption changes in the same direction as income. It is,

- (i) True
- (ii) False
- (iii) Can't say
- (iv) Insufficient information

9. Differentiate between ex ante and ex post-investment.

10. $C = a + b(Y)$ is,

- (i) The algebraic function of the level of investment expenditure
- (ii) The linear function of the level of consumption expenditure
- (iii) The algebraic function of the level of consumption expenditure
- (iv) The algebraic function of the level of capital expenditure

Activity

(Do any two activities)

1. Prepare a chart of formulas of calculating National Income.
2. On a chart write about Consumption Function, Investment Function and Saving Function.
3. On a chart explain the relationship between TC, MC and AC.