Total Marks:20

Time: 9.30 to 10.30a.m.

Notes: Show all the calculations

1. Explain with an example how are the concepts of scarcity and economics related to each other? [03]

2. Define a Production Possibility Curve. Explain the various shapes of PPC curve. [03]

3. When the price of a good falls by 10 percent, its quantity demanded rises from 40 units to 50 units. Calculate the price elasticity of demand by the percentage method. Comment on your answer. [05]

4. Given the following table, find values of TVC, AC, AFV, AVC and MC based on the values given in the table [05]

Output	TC
0	40
1	52
2	59
3	64
4	70
5	78
6	89
7	103

5. Explain the concepts of break- even point and contribution margin [04]

---X---