**BRAIN INTERNATIONAL SCHOOL**

**ECONOMICS ASSIGNMENT** **CLASS-XII** **July, 2018**

**Unit: Supply**

**Unit: Forms of market and price determination**

Q1. What is relevance of 'large number of sellers" in perfect competition?

Q2. How is seller under perfect competition a price-taker?

Q3. Can a monopolist sell more of a commodity at a higher price?

Q4. Draw AR & MR curves under perfect competition?

Q5. Why is demand curve of a firm under monopoly downward sloping?

Q6. In which of monopoly and monopolistic competition is the demand curve facing a firm more elastic and why?

Q7. Equilibrium price may or may not change with shifts in both demand & supply? Comment.

Q8. Explain how in long run equilibrium with free entry and exit, firms under monopolistic competition, earn zero abnormal profits.

Q9. Explain the implication of feature of differentiated product?

Q10. "Industry is a price maker and a firm is a price-taker" explain.

Q11. How do demand & supply forces help in determining the equilibrium price?

Q12. Why is AR curve of a curve under perfect competition parallel to x-axis?

Q13. Suppose price of a good is higher than the equilibrium price. Explain the change that will establish equilibrium price.

Q14. Discuss main factors affecting supply.

Q15. Commodities X and Y have equal price elasticity of supply. The supply of X rises from 400 units to 500 units due to a 20 percent rise in its price. Calculate the percentage fall in supply of Y if its price falls by 8 percent

Q16. If Price elasticity of supply of a commodity is 5. A producer supplies 500 units of this product at a price of Rs 5 per unit. How much quantity of this product will be supplied, at the price of Rs 6 per unit?