

Economics assignment
Class- X1 commerce
Ch- Revenue and supply

Question No. 1 to 5 are based on the given text. Read the text carefully and answer the questions:

Revenue is the earning that an enterprise has from its normal business pursuits, usually from the sale of commodities, and services to consumers. Revenue is also mentioned and referred to as turnover or sales. A few companies get revenue from royalties, other fees, or interests. An enterprise believes that it can sell as many quantities of the commodity as it requires by setting a cost price less than or equivalent to the market cost price. In such a case, there is no logic to set a cost price lower than the market cost price. In other words, the enterprise should sell some amount of the commodity so that the cost price it sets is exactly equivalent to the market cost price. The concept of revenue is different from the concept of profit. As profit is the difference of revenue and costs.

1. Revenue =
 1. Costs + Profit
 2. Costs - Profit
2. _____ refers to the amount received by a firm from the sales of a given quantity of a particular good.
 1. Functional cost
 2. Production
 3. Cost
 4. Revenue
3. Revenue is directly influenced by:
 1. Demand of the good
 2. Sales level
 3. Price of the good
 4. Supply level
4. Which of these is not the component of revenue?
 1. AR
 2. HR
 3. MR
 4. TR
5. Average revenue is _____ per unit of output.
6. Choose the correct match:-
 1. All of these
 2. TR increases at diminishing rate MR increases

3. TR maximum MR maximum
4. TR increases at constant rate MR constant
7. AR is same as MR in perfect competition as
 1. Price remains fixed
 2. Price can rise
 3. Price does not remain fixed
 4. Price may fall
8. The marginal revenue become negative when
 1. TR is constant and maximum
 2. TR stops rising at increasing rate
 3. TR starts falling
 4. TR starts rising
9. AR is less elastic in monopoly than in monopolistic competition as
 1. Many close substitutes exist in monopolistic competition
 2. Many close substitutes exist in monopoly competition
 3. Some substitutes exist in monopoly
 4. Many close substitutes do not exist in monopolistic competition
10. What happens to TR when MR is positive?
 1. TR increases
 2. TR decreases
 3. TR remains same
 4. TR is maximum
11. **Assertion (A):** When 5 units of a good are sold at ₹20, total revenue is ₹100.
Reason (R): Total revenue is the revenue earned by the firm from the total amount of product sold by it.
 1. Both A and R are true and R is the correct explanation of A.
 2. Both A and R are true but R is not the correct explanation of A.
 3. A is true but R is false.
 4. A is false but R is true
12. Give one reason for 'decrease' in supply of a commodity.
13. How does change in price of. related goods affect the supply of given goods.
14. What is the supply curve of a firm in. the long run?
15. Explain how do the following affect supply
 - i. Subsidy on production,
 - ii. Changes in prices of other goods

