



Jain College, Jayanagar
II PUC MOCK PAPER – I, JAN 2019
Subject: II PUC ABES Economics (22)

Duration: 3 hrs&15min

Max. Marks: 100

Part A

I. Choose the correct answer:

1*5=5

1. Ordinal Utility analysis expresses utility in
 - a) Numbers
 - b) Returns
 - c) Ranks
 - d) Awards
2. The rate at which RBI lends money to commercial banks against securities
 - a) Bank rate
 - b) Repo rate
 - c) Reverse repo rate
 - d) None of the above
3. Consumption which is independent of income is called
 - a) Induced consumption
 - b) autonomous consumption
 - c) Wasteful consumption
 - d) past consumption
4. The study of national income related to
 - a) Micro economics
 - b) Macro economics
 - c) Both micro and macro
 - d) None of the above
5. The consumer and producers can choose between domestic and foreign goods, this market linkage is called
 - a) Financial market linkage
 - b) Output market linkage
 - c) Labour market linkage
 - d) none of the above

II. Fill in the blanks:

1*5=5

6. In the long run, all inputs are_____.
7. For a price taking firm marginal revenue is equal to_____.
8. If the supply curve shifts rightwards and demand curve shifts leftwards equilibrium price will be _____.
9. Economic exchanges without the use of money are referred to as_____.
10. The Bretton Woods conference held in the year_____.

III. Match the Following:

1*5=5

- | | |
|---|--|
| 11. A <ol style="list-style-type: none">1. SDR2. Raw material3. Circulation of coin4. Adam Smith5. BOP | B <ol style="list-style-type: none">a) Operation of invisible handb) Paper goldc) Trade in goods and serviced) Government of Indie) intermediate good |
|---|--|

IV. Answer in one sentence each:

1*5=5

12. What is utility?
13. How do we get personal disposable income?

14. What is balance of payment?
15. Give the meaning of supernormal profit.
16. What is price floor?

Part B

V. Answer any NINE of the following in about four sentences each: 2*9=18

17. Distinguish between micro and macro economics.
18. Mention two approaches which explain consumer behavior.
19. What are long run costs?
20. Give the meaning of price elasticity of supply and write its formula.
21. Define equilibrium price and quantity.
22. State the relationship between marginal revenue and price elasticity of demand.
23. What do you mean by externalities? Mention its types.
24. Distinguish between stock and flow. Give example.
25. Mention the motives of demand for money.
26. What are the factors which cause change in aggregate demand?
27. Distinguish between surplus budget and deficit budget.
28. Give the meaning of managed floating exchange rate.
29. What is balance of trade?

Part C

VI Answer any seven in 12 sentences each: 4*7=28

30. Write the difference between Total utility and Marginal utility.
31. Write a brief note on returns to scale.
32. Explain the features of perfect competition.
33. What is the implication of free entry and free exit of firm on market equilibrium? Briefly Explain.
34. What is market demand curve? Draw a market demand curve for a monopoly firm.
35. Write a short note on the concept of final good.
36. Write the chart of components of capital account.
37. Write a short note on Ricardian equivalence.
38. Explain consumption and investment function with the help of graphs.
39. Explain the motives of demand for money.
40. Explain the circular flow of income of an economy.

VII. Answer any FOUR in 20 sentences each: 6*4=24

41. Explain the law of variable proportions (law of diminishing marginal returns) with the Help of a diagram.
42. Explain the long run supply curve of a firm with the help of diagram.
43. Explain the market equilibrium with the fixed number of firms with the help of diagram.
44. Explain the short run equilibrium of a monopoly firm with the help of the simple case of Zero cost.
45. Write a note on balance of payment.
46. The fiscal deficit gives borrowing requirement of the government'. Elucidate
47. Explain the effect of an autonomous change in aggregate demand on income and output.

Part E

VIII. Answer any TWO of the following: 5*2=10

48. Compute the total revenue, marginal revenue and average revenue schedules in the following Table when market price of each unit of goods is Rs.10.
- | | | | |
|---------------|----|----|----|
| Quantity Sold | TR | MR | AR |
|---------------|----|----|----|

- 0
- 1
- 2
- 3
- 4
- 5
- 6

- 49. Prepare a budget on monthly income and expenditure of your family.
- 50. Name currencies of any five countries of the following.
USS, UK, Germany, Japan, Argentina, UAE, Bangladesh, Russia

*****All the Best*****