

II PUC Mock Paper – I Jan - 2020
Subject: Economics (22)

Duration: 3 hours 15 minutes

Max. Marks: 100

Instruction : 1. Write the question numbers legibly in the margin.

2. Answer for a question should be continuous

PART - A

I. Choose the correct answer:

1 x 5 = 5

1. The scarce resources of an economy have
(a) Competing usages (b) Single usages (c) Unlimited usages (d) None of the above
2. Central problems of an economy includes
(a) What to produce (b) How to produce (c) For whom to produce (d) All of the above
3. The demand for these goods increases as income increase
(a) Inferior goods (b) Giffen goods (c) Normal goods (d) None of the above
4. The products in a perfect competition are
(a) Heterogeneous (b) Homogeneous (c) Luxury (d) None of the above
5. The government imposes upper limit on the price of a good or service is called
(a) price ceiling (b) Selling price (c) price floor (d) None of the above

II. Fill in the blanks:

1 x 5 = 5

6.is a tax that the government imposes for unit sale of output.
7. $TR = \dots\dots\dots$
8.tries to address situations facing the economy as a whole.
9.will be called as firm.
10.is a stock variable.

III. Match the following:

1 x 5 = 5

11.

A	B
a. $MR =$	a. Paper gold
b. SAC	b. Operation of invisible hand
c. Adam smith	c. SR AC
d. Savings	d. $\Delta TR / \Delta q$
e. SDR	e. Y-C

IV. Answer the following questions in a sentence / word.

1 x 5 = 05

12. Define Monopoly
13. Give the meaning of Monopolistic competition
14. Write the meaning of Autonomous consumption.
15. Who are 'Free Riders'?
16. Expand FRBMA.

PART - B

V. Answer any nine of the following questions in four sentences each.

2 x 9 = 18

17. What do you mean by monotonic preferences?
18. What do you mean by an inferior good? Give some example.
19. What is Isoquant?
20. Give the meaning of Shut down point.
21. Define Equilibrium price and Quantity.
22. Write the features of monopoly.
23. What are the four factors of production? Mention their rewards.
24. Distinguish between stock and flow with example.
25. Give the meaning of CRR and SLR.
26. Give the meaning of paradox of thrift.
27. Give the meaning of investment multiplier and write its formula.
28. Mention the non-tax revenues of the government.
29. Mention the three linkages of open economy.
30. What are the types of BOT.?

PART-C

VI. Answer any seven of the following in fifteen sentences each.

4 x 7 = 28

31. Briefly explain how the Family farm, weaver, teacher can use their resources to fulfill their needs in a simple economy.
32. Explain the differences between normal and inferior goods with examples.
33. Explain the TP, AP and MP with the examples.
34. Write a brief note on returns to scale.
35. Explain the features of perfect competition.
36. Write about shut down point, normal profit and break - even point.
37. What are the differences between micro economics and macro - economics?
38. Write a short note on the concept of final goods.
39. 'Money acts as a convenient unit of account'. Explain this sentence with the example.
40. Briefly explain consumption function.

41. Write the chart of components of capital account.

PART-D

VII. Answer any four of the following questions in 20 sentences each.

6 x 4 = 24

42. Explain the law of diminishing marginal utility with the help of a table and diagram.

43. Explain the market equilibrium with the fixed number for firms along with the diagram

44. Explain short run equilibrium of the monopolist with the case of zero cost.

45. Write down some of the limitations of using GDP as an Index of welfare of a country.

46. Explain the functions of Money and how does money overcome the short comings of barter system?

47. Explain the classification of receipts.

48. Write a note on balance of payment.

PART - E

VIII. Answer any two of the following project oriented questions.

5 x 2 = 10

49. A consumer wants to consume two goods. The price of banana is Rs. 5 and the price of mango is Rs 10. The consumer's income is Rs 40.

(a) How much bananas can she consume if she spends her entire income on that good?

(b) How much Mangoes can she consume if she spends her entire income on that good?

(c) Is the slope of budget line downward or upward?

(d) Are the bundles on the budget line equal to the consumer's income or not?

(e) If you want to have more bananas, you have to give up mangoes. Is it true?

50. Write a note on demonetization.

51. Write the currencies of any five countries given below.

India, USA, UK, Germany, Japan, China, Argentina, UAE, Bangladesh, Russia.
