



JAIN COLLEGE

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Rajarajeshwari Nagar, Bangalore - 560 098

SUBJECT: ECONOMICS

**II PUC
MOCK - II**

Timings Allowed: 3 Hrs 15 Minutes

Total Marks: 100

- Instructions:** i) Question paper contains five parts.
ii) Answer all the questions.
iii) Number the answer properly.
iv) Draw the diagrams wherever necessary.

PART - A

- 1. Answer the following questions in a sentence each. 1X10=10**
1. What is a Budget Line?
 2. Write the formula to calculate the price elasticity of demand.
 3. Give the meaning of Macro Economics.
 4. What do you mean by Overdraft?
 5. Give the meaning of Marginal Cost.
 6. Give the meaning of Duopoly.
 7. Give the meaning of Multiplier.
 8. Define Money.
 9. What is Balance of Trade?
 10. Define Price Rigidity.

PART- B

- 2. Answer any 10 of the following questions in 4 sentences each. 2X10=20**
1. What is meant by Break Even Point?
 2. Write any 2 differences between micro and macroeconomics.
 3. Mention the factors affecting marginal propensity to consume.
 4. Write any 4 features of oligopoly.
 5. Why do people demand money?
 6. Write any 4 objectives of Fiscal Policy.
 7. Who is a Price Taker? Why?
 8. Why is Marginal Cost Curve "U" shaped?
 9. What do you mean by non-plan revenue expenditure? Give an example.
 10. Write the difference between deficit and surplus budget.
 11. Write the meaning of increasing returns.
 12. Name any 4 factors determining Price Elasticity of Demand.

PART- C

- 3. Answer any 8 of the following questions in 15 sentences each. 5X8=40**
1. What do you mean by shifts in demand curve? Explain diagrammatically.
 2. Examine the structure of balance of payments.
 3. Explain any 2 instruments of Fiscal Policy.
 4. Briefly explain any 2 methods of calculating national income.
 5. Briefly explain consumption and investment function.

6. Explain the law of variable proportions.
7. Explain the factors which determine the price elasticity of demand.
8. What is a Budget? Explain the components of a budget.
9. Explain the basic problems of an economy.
10. Explain the objectives of Monetary Policy.
11. 'Although Macro Economics has gained maximum popularity, yet it is not free from limitations'. Justify this statement.
12. Discuss various types of short run costs.

PART- D

4. Answer any 2 of the following questions in 40 sentences each. 10X2=20

1. Discuss the short run equilibrium under monopoly when the cost of production is positive by total revenue and total cost approach.
2. Discuss the classification of price elasticity of supply.
3. Explain the long run equilibrium under monopoly with a diagram.
4. Explain the macro economic identities of national income.

PART- E

1. Answer any 2 of the following questions in 15 sentences each. 5X2=10

1. If the demand and supply function of raw cotton are $Q_d = 250 - 50p$ and $Q_s = 25 + 25p$, find the equilibrium price and the equilibrium quantity demanded and supplied and prove that any price other than equilibrium price leads either to excess supply or excess demand.
2. Calculate Total Cost, Average Fixed Cost, Average Variable Cost and Average Cost with the help of the given data and derive the Total Cost and Average Cost Curves.

Output in Units	TFC	TVC	TC	AFC	AVC	AC
1	50	?	70	50	?	?
2	?	30	?	25	?	40
3	50	?	90	?	13.33	30
4	50	60	110	12.5	15	27.5
5	50	90	?	10	18	?

3. The market demand curve for commodity and total cost for a monopoly firm producing the commodity is given in the schedule below:

Quantity	0	1	2	3	4	5	6	7	8
Price in Rs.	52	44	37	31	26	22	19	16	13
Total Cost in Rs.	20	60	85	100	102	105	109	115	125
