



Jain College, Jayanagar
MOCK PAPER II
Sub: ECONOMICS

Duration: 3 hrs&15min

Max. Marks: 100

I. Answer all the following questions:

1 X 10 = 10

1. What is economic activities?
2. What do you mean by economic growth?
3. Mention the formula to find out MU.
4. What is iso-utility curve?
5. Mention the equation of demand function.
6. State one relationship between MP and AP.
7. Name the economist who popularized the concept of imperfect competition.
8. Give the formula of real exchange rate.
9. Give two examples for non-plan expenditure.
10. Mention any two reasons for increase in public expenditure.

II. Answer any 10 questions:

2 X 10 = 20

11. Differentiate between price theory and slicing method.
12. How utility is different from satisfaction.
13. what do you mean by water-diamond paradox?
14. Mention short run and long-run costs.
15. What do you mean by market period?
16. differentiate between normal and supernormal profit.
17. If $Q_d=40-4P$ and $P=10$, find the quantity demanded and interpret the result.
18. Differentiate between real and imaginary product differentiation.
19. What do you mean by laissez faire policy?
20. What is real national income? Mention its formula.
21. Mention any four drawbacks of barter system.
22. What do you mean by transfer payments?

III. Answer any 8 of the followings.

5 x 8 = 40

23. explain how mixed economy solves the basic economic problems.
24. Bring out the exceptions of LDMU.
25. What is PES(price elasticity of supply)? Mention its types.
26. What is budget deficit? Mention its types.
27. Explain the structure of BOP.
28. Explain the exchange rate systems.
29. Bring out the advantages of open economy.
30. What is multiplier and explain its working.

31. Explain the types and determinants of investment.
32. Explain the equality between saving and investment.
33. Explain the selective methods of monetary policy.
34. Write a note on primary and secondary functions of money.

IV. Answer any 2 of the followings.

10 x 2 = 20

35. Explain the functions of RBI.
36. Make a note on demand and critically analyze the law of demand.
37. Bring out the functions of commercial banks.
38. Explain the short-run production function.

V Answer any 2 of the followings.

5 x 2 = 10

39. Explain the credit creation process of commercial bank.
40. Mention any 5 micro and macroeconomic identities.
41. As per the demand function $q_d = 30 - 2P$, when the price is as given Rs.8, 10, 12, 14 and 16, calculate the quantity demanded and derive the individual demand curve.
