



**SRI BHAGAWAN MAHAVEER JAIN COLLEGE**

Vishweshwarapuram, Bangalore.

**Mock Paper 2 (2017-18)**

**Course:** II PUC

**Subject:** Economics (ABES, ABEM, ABEC)

**Max. Marks:** 100

**Duration:** 3 hrs

**Part A**

**I. Answer all the following questions in one sentences each.**

**1x10=10**

1. What is planned economy?
2. What is utility?
3. Write the simplified formula of price elasticity of demand.
4. Define isoquant.
5. Who are the pioneers in micro and macro-economics ?
6. Which policy was proved wrong by the Great depression?
7. Define money, according to walker.
8. What are externalities?
9. State the meaning of marginal propensity to consume.
10. Give the meaning of open economy

**Part-B**

**II. Answer any ten of the following questions in four sentences each.**

**2x10=20**

11. Mention any 2 differences between positive & normative economics.
12. Write any two limitations of the law of diminishing marginal utility.
13. Name the methods of adding two individual demand curves horizontally.
14. Define marginal cost.
15. What is meant by shutdown point?
16. From where do you buy electricity for home? What is the characteristic of the market?
17. What do you mean by macro-economics? Give two areas of study of macro economics.
18. Name any four difficulties of barter system.
19. Give four objectives of monetary policy.
20. What is income according to Keynes?
21. Give the meaning of deficit budget.
22. What do you mean by bilateral trade?

**Part-C**

**III. Answer any eight of the following questions in fifteen sentences each.**

**5x8=40**

23. Explain the nature of mixed economy.
24. Distinguish between total utility and marginal utility with the help of an example.
25. Explain the factors determining price elasticity of demand?
26. Briefly explain various economies and diseconomies of scale.
27. AR and MR curve of a firm in perfect competition take the shape of a horizontal line. Explain this with the application of a diagram.
28. Draw the demand curve of monopoly firm.
29. Briefly explain the scope of macro economics.
30. Describe the relationship between national income and welfare?
31. Write a note on the supply of money?
32. Explain Keynes consumption function.
33. Write a note on public expenditure.
34. Explain the theories of determination of exchange rates.

**Part-D**

**IV. Answer any two of the following questions in forty sentences each.**

**10x2=20**

35. Explain the indifference curve and indifference map with the help of schedule and diagrams.
36. Show how the invisible hand guides the producers & the consumers towards equilibrium in a perfect competitive market.
37. Explain diagrammatically the short – run equilibrium of monopolistic firm?
38. Explain the functions of the RBI.

**Part-E**

**V. Answer any two of the following questions in fifteen sentences each.**

**5x2=10**

**39. Complete the following table.**

Output	TFC	TVC	TC	AFC	AVC	AC
1	<b>150</b>	200				
2		300				
3		400				
4		600				
5		800				
6		1000				
7		1200				

**40.** Give the formula of the following macroeconomics identities.

GDP, GNP, NDP, NNP, Personal income.

**41.** What is income elasticity of demand? Calculate the income elasticity of demand when income of a consumer increases from Rs.1000 to Rs. 1200 & demand for rice increases from 300 to 400kgs.

\*\*\*\*\*

