JAIN COLLEGE, v v puram
For Reduced Syllabus

Test / Exam:	MOCK -1	**Month & Year:**	2020-2021
Class:	II PUC	**Subject:**	Economics
Duration:	3:15 hours	**Max. Marks:**	100

Instruction: (a) Write question number legibly in the margin

(b) Answer for the question should be continuous.

Part A

I   Choose the correct answer. Each question carries 1 mark.   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. The formula for production function is,
(a) q = f (L,K)
(b) q = d (p)
(c) y = f (x)
(d) None of the above

3. In a perfect competition each firm produces and sells
(a) Heterogeneous products
(b) Homogeneous products
(c) Luxury Goods
(d) Necessary goods

4. NNP = GNP -
(a) Deduction
(b) Depreciation
(c) Investment
(d) None of the above

5. The point where ex-ante aggregate demand is equal to ex-ante aggregate supply will be
(a) Equilibrium
(b) Disequilibrium
(c) Excess Demand
(d) Excess supply

II   Fill in the blanks   1 x 5 = 5

6. Two indifferent curves never.... each other
7. Marginal product and Average product curves are ………. In shape.

8. For a price taking firm marginal revenue is equal to ………..
9. Pollution is an example for ………externalities
10. Economic exchanges without the use of money are referred to as………..

III   Match the following   **1 x 5 = 5**

11.

A	B
Normative Economics	A family of indifference curve
Indifference Map	Evaluate the mechanism
TFC+TVC	P X Q
TR =	Broad money
M_3 and M_4	TC

IV   Answer the following questions in a sentence each.   **1 x 5 = 5**

12. What do you mean by indifference curve?
13. Give the meaning of supernormal profit.
14. Give the meaning of GDP.
15. What do you mean by wage rate?
16. What do you mean by barter system?

Part B

V   Answer any nine of the following questions in 4 sentences each.   **2 x 9 = 18**

17. What is opportunity cost?
18. What is monotonic preference?
19. What is Isoquant?
20. Mention the conditions needed for profit by a firm under perfect competition.
21. Write the meaning of opportunity cost with an example.
22. Mention any two functions of money
23. State the credit control instruments of RBI.
24. Write the meaning of excess demand and deficient demand.
25. Give the meaning of investment multiplier. Write its formula
26. Distinguish between positive and normative economics
27. What are the four factors of production? Mention their rewards.

Part-C

VI   Answer any seven of the following questions in 12 sentences each   **4 x 7 = 28**

28. Briefly explain the central problems of an economy.
29. Write the differences between substitutes and compliment.
30. Explain the budget set with the help of a diagram
31. Write a brief note on returns to scale.
32. Explain the features of perfect competition
33. Write a note on the working of Economy of a capitalist country.
34. Explain the examples of planned accumulation and decumulation of inventories.
35. Write a note on externalities
36. Briefly explain the functions of money.
37. Explain the functions of RBI.
38. Give the meaning of Aggregate demand function. How can it be obtained graphically?

Part -D

VII   Answer any four of the following questions in 20 sentences each.   **6x4=24**

39. Explain the features of indifference curve with the help of diagram
40. Explain various short run costs with the help of a table
41. Briefly explain market supply curve with the help of diagram.

42. Explain the macroeconomic identities.
43. Briefly explain the expenditure method of measuring GDP.
44. Requirement of reserves acts as a limit to money (credit) creation. Explain.
45. Explain the effect of an autonomous change in aggregate demand in income and output.

Part- E

VIII   **Answer any two of the following questions in 15 sentences each.**   **5x2=10**

46. A consumer wants to consume two goods. The price of bananas is Rs.4 and the price of mangoes he is Rs.5 the consumer income is Rs.20.

   A. How much bananas can see consume if she spends her entire income on that   good.

   B. How much mangoes can she consumes 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 are equal to the consumer's income or not?

   E. If you want to have more of bananas you have to give up mangoes. Is it true?

47. Find the missing products in the following table.

Factor 1	TP	MP	AP
0	0	0	0
1	10	-	10
2	24	-	12
3	40	16	13.33
4	-	10	-
5	-	6	11.2
6	57	1	9.5

48.Compute the total revenue, marginal revenue and average revenue schedules in the following table when market price of each unit of good is Rs.10.

Quantity Sold	TR	MR	AR
0			
1			
2			
3			
4			
5			
6			