



JAIN COLLEGE

463/465, 18th Main Road, SS Royal, 80 Feet Road, Rajarajeshwari Nagar,
Bangalore - 560 098

Date:

SUBJECT: ECONOMICS

**II PUC
Mock - I**

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 one sentence each.

1×10=10

1. Give the meaning of Monopoly.
2. What is a Market?
3. Give the meaning of Marginal cost.
4. What is a Budget Line?
5. Write the formula to calculate the price elasticity of demand.
6. Expand WTO.
7. What do you mean by Overdraft?
8. How do you calculate NNP?
9. Give the meaning of Macro Economics.
10. What is Fiscal Deficit?

Part- B

2. Answer any 10 of the following questions in four sentences each.

2×10=20

1. Write the differences between open and closed economy.
2. Give the meaning of direct and indirect tax.
3. Write any 4 objectives of fiscal policy.
4. Distinguish between average propensity to consume and marginal propensity to consume.
5. Why people demand money?
6. Mention any 4 difficulties in measuring national income.
7. Write any 4 limitations of macroeconomics.
8. Distinguish between positive and normative economics.
9. Write any 4 properties of indifference curves?
10. Give the meaning of Average Cost. If the Total Cost of a firm to produce 5 pens is Rs. 140 , calculate the average cost incurred by the firm.
11. Who is a price taker? Why?
12. Write any 4 features of Oligopoly.

Part-C

3. Answer any 8 of the following in 15 sentences each.

5×8=40

1. Briefly explain the structure of balance of payments.
2. What is a Budget? Explain the components of a Budget.
3. Briefly explain the Consumption Function.
4. What is National Income? Explain briefly the methods of measuring national income.

5. Write a note on the concept of an economy.
6. Bring out the uses of Micro Economics.
7. Briefly explain the law of diminishing marginal utility with the help of an example.
8. Why the demand curve slopes downwards?
9. Explain the factors which determine the price elasticity of demand.
10. Explain the law of variable proportions.
11. Write a note on the scope of macroeconomics.
12. Calculate the TC, AFC, AVC, AC with the help of the given data and derive the TC and AC curves

Units	TFC	TVC	TC	AFC	AVC	AC
1	50	20	?	?	?	?
2	50	30	?	?	?	?
3	50	40	?	?	?	?
4	50	60	?	?	?	?
5	50	90	?	?	?	?

Part- D

- 4. Answer any 2 of the following in 40 sentences each. 2×10=20**
1. Explain the functions of RBI.
 2. Describe the short run equilibrium of a monopolistic firm.
 3. Explain how a consumer reaches equilibrium using indifference curve technique.
 4. Diagrammatically explain how a perfect competitive market attains equilibrium.

Part- E

- 5. Answer any 2 of the following in 15 sentences each. 5×2=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 equilibrium quantity demanded and supplied and prove that any price other than equilibrium price leads either to excess supply or excess demand.
 2. Write the process of credit creation by commercial banks with the help of an example.

3. The market demand curve for a commodity and total cost for monopoly firm producing the commodity is given by 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

Use the information to calculate the following:

- MR and MC schedules
- The quantities for which the MR and MC are equal
- The equilibrium quantity of output and equilibrium price of the commodity.
