



Reg. No. :

SY 635

Name :

**SECOND YEAR HIGHER SECONDARY MODEL
EXAMINATION, FEBRUARY 2025**

**Part – III
ECONOMICS
Maximum : 80 Scores**

Time : 2½ Hours
Cool-off Time : 15 Minutes

General Instructions to Candidates :

- There is a 'Cool off time' of 15 minutes in addition to the writing time.
- Use 'cool off time' to get familiar with questions and to plan your answers.
- Read questions carefully before answering.
- Calculations, figures and graphs should be shown in the answer sheet itself.
- Malayalam version of the questions is also provided.
- Give equations wherever necessary.
- Electronic devices except non programmable calculators are not allowed in the Examination Hall.

വിദ്യാർത്ഥികൾക്കുള്ള പൊതുനിർദ്ദേശങ്ങൾ :

- നിർദ്ദിഷ്ട സമയത്തിന് പുറമെ 15 മിനിറ്റ് 'കൂൾ ഓഫ് ടൈം' ഉണ്ടായിരിക്കും.
- 'കൂൾ ഓഫ് ടൈം' ചോദ്യങ്ങൾ പരിചയപ്പെടാനും ഉത്തരങ്ങൾ ആസൂത്രണം ചെയ്യാനും ഉപയോഗിക്കുക.
- ഉത്തരങ്ങൾ എഴുതുന്നതിന് മുമ്പ് ചോദ്യങ്ങൾ ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- കണക്ക് കൂട്ടലുകൾ, ചിത്രങ്ങൾ, ഗ്രാഫുകൾ, എന്നിവ ഉത്തരപേപ്പറിൽ തന്നെ ഉണ്ടായിരിക്കണം.
- ചോദ്യങ്ങൾ മലയാളത്തിലും നൽകിയിട്ടുണ്ട്.
- ആവശ്യമുള്ള സ്ഥലത്ത് സമവാക്യങ്ങൾ കൊടുക്കണം.
- പ്രോഗ്രാമുകൾ ചെയ്യാനാകാത്ത കാൽക്കുലേറ്ററുകൾ ഒഴികെയുള്ള ഒരു ഇലക്ട്രോണിക് ഉപകരണവും പരീക്ഷാഹാളിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.



Score

(8×1=8)

Answer any 8 questions from 1 to 10. Each carries 1 score.

1. Gross fiscal deficit – Net interest liabilities = _____

- a) Primary deficit
- b) Fiscal deficit
- c) Revenue deficit
- d) None of these

2. The shape of AFC curve

- a) U shape
- b) Rectangular hyperbola
- c) L shape
- d) Straight line

3. Goods that are used by producers as inputs

- a) Final goods
- b) Consumer goods
- c) Intermediate goods
- d) None of these



Score

4. When income increases, the budget line shifts towards
- a) Left
 - b) Right
 - c) Downwards
 - d) None of these
5. The point on which a firm earns only normal profit in the short run
- a) Shutdown point
 - b) Excess supply
 - c) Break even point
 - d) Excess demand
6. Want satisfying capacity of a commodity
- a) Demand
 - b) Supply
 - c) Production
 - d) Utility
7. Currency held by public + deposit =
- a) M_1
 - b) M_4
 - c) M_2
 - d) M_3



Score

8. The year in which J.M. Keynes published his book 'The General Theory of Employment, Interest and Money'.
- a) 1936
 - b) 1930
 - c) 1945
 - d) 1929
9. The consumption that takes place when income is zero. It is called
- a) Autonomous consumption
 - b) Induced consumption
 - c) Autonomous investment
 - d) None of these
10. Which among the following is a flow variable ?
- a) Capital
 - b) Demand for money
 - c) Supply of money
 - d) GDP



Score

(4×2=8)

Answer any 4 questions from 11 to 15. Each carries 2 scores.

- 11.** Give any two examples of negative externalities.
- 12.** Name the four sectors of the economy according to the macro economic point of view.
- 13.** If demand curve shifts rightwards and supply curve remains constant, what will be the effect on equilibrium price and output ?
- 14.** Distinguish between devaluation and revaluation.
- 15.** Write any two features of market economy.

Answer any 4 questions from 16 to 20. Each carries 3 scores.

(4×3=12)

- 16.** Write any three features of indifference curve.
- 17.** Complete the following :

a) $\frac{\Delta TC}{\Delta q} = \underline{\hspace{2cm}}$

b) $\frac{TFC}{q} = \underline{\hspace{2cm}}$

c) $AVC + AFC = \underline{\hspace{2cm}}$



Score

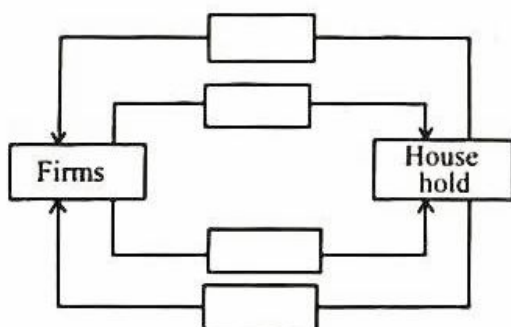
18. Explain the three types of budget.
19. What are the central problems of an economy in relation to scarce resources.
20. If investment increases by 200 crores and MPC is 0.2, what will be the increase in total income ?

Answer any 4 questions from 21 to 25. Each carries 4 scores.

(4×4=16)

21. Distinguish between substitute goods and complimentary goods. Give example for each.
22. The market price of a good increases from Rs. 10 to Rs. 25. Therefore the quantity supplied by the firm increases from 15 to 20 units. Calculate the price elasticity of supply.
23. Complete the following chart.

Circular flow of income



24. Diagrammatically explain the flexible exchange rate system.
25. What is GDP deflator ? Distinguish between Real GDP and Nominal GDP.



Score

Answer any 4 questions from 26 to 30. Each carries 5 scores.

(4×5=20)

26. Differentiate between public goods and private goods. Give examples for each.
27. Income of a consumer is Rs. 50. The market price of two goods are Rs. 5 and Rs. 10 respectively.
- a) Write the equation of the budget line.
 - b) Find the vertical intercept and horizontal intercept.
 - c) Draw the budget line.
28. a) Explain market equilibrium with the help of diagram.
- b) Calculate equilibrium price and quantity from the given equation.
- $$q_d = 400 - P$$
- $$q_s = 200 + P$$
29. a) What is aggregate demand in a two sector economy ?
- b) Explain the components of aggregate demand.
30. a) What is GDP ?
- b) Explain the income method for measuring GDP.



Score

Answer any 2 questions from 31 to 33. Each carries 8 scores.

(2×8=16)

- 31. a) Explain the law of variable proportion with suitable diagram.**
- b) Explain the relationship between AP and MP.**
- 32. a) What are the features of perfect competition ?**
- b) Explain the conditions required for profit maximisation of a perfectly competitive firm in short run.**
- 33. a) Explain the functions of central bank.**
- b) Explain the quantitative and qualitative instruments used by the central bank to control the money supply in the economy.**
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