

SECOND YEAR HIGHER SECONDARY EXAMINATION- 2023  
ECONOMICS

Maximum scores: 80

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I Answer any 10 questions from 1 to 12. Each carries 1 score.

1. The reward for entrepreneurship is .....  
a)wages b)Rent c)Profit d)Interest
2. When price changes and expenditure remain the same, elasticity is.....  
a) unitary b)high c)Low d) Zero
3. Shape of AFC curve in .....  
a)U shaped b)inverted U shape c)Rectangular Hyperbola  
d)Horizontal
4. Which of the following condition is not satisfied by the long run equilibrium of the firm under perfect competition? a) $P=AR$  b) $AR=MR$  c) $MC=MR$  d) $AFC=AVC$
5. The Government imposed upper limit on the price of a good or service is called  
a)fiscal deficit b)primary deficit c) Monetized deficit d)Price ceiling
6.  $MPC+MPS=.....$  a) 0 b) 1 c) $>1$  d) $<1$
7. The General theory of employment, interest and money is the book written by a)Adam smith  
b) Alfred Marshall c)J.M.Keynes d)Ragner Frisch
8. Net indirect taxes= indirect taxes - \_\_\_\_\_ a)depreciation b)Investment  
c)subsidies d)Transfer payment
9. ....is known as aggregate money resource a)M1 b)M2 c)M3 d)M4
10. Excess of total expenditure over total income excluding borrowing is a)Revenue deficit  
b)fiscal deficit c)primary deficit d)Monetized deficit
11.  $MPS=0.25$ , then multiplier is a)0.75 b)1 c)1.33 d)4
12. The shape of normal PPC curve become a) convex b)concave c)U shape  
d)Horizontal

II Answer any five questions from 13 to 18 Each carries 2 scores

13. Differentiate between short run and long run.
14. Distinguish between normal profit and super normal profit.
15. Define Market equilibrium? Write down the equation.
16. Any two motives of Demands for money?
17. Write any four features of perfect competition.
18. Define production function.

III Answer any 6 questions from 19 to 25. Each carries 3 scores

19. Differentiate between Balance of Trade and Balance of payment.
20. Write the functions of budget in an economy?
21. Classify the following with the suitable headings: Utility,National income, Aggregate saving, Disposable income, price of a commodity, individual demand
22. When the price is Rs. 10/- the consumer buys 10 units of commodity, when price rises to Rs.20/- the demand falls to 5 units. Calculate price elasticity of demand
23. Calculate Equilibrium price and equilibrium quantity : $Q_D=20-2P$   $Q_S=8+p$
24. What are the main functions of money?
25. Briefly explain the emergence of macro Economics?

IV Answer any 4 questions from 26 to 30. Each carries 4 score.

26. What are the factors determining supply curve of a firm?
27. Is GDP a good index for measuring welfare? Elucidate.
28. Explain the components of Budget.

29. Explain the determination of equilibrium income and output in a two sector economy with the help of a diagram
30. Explain the Properties of indifference curve.
- V Answer any two questions from 31 to 33. Each carries 5 scores.
31. Briefly explain 3 methods of fixing exchange rate
32. Diagrammatically explain circular flow of income and expenditure in a two sector economy
33. Complete the table

M1	
M2	
M3	
M4	

#### Team

1. Rajisha P R GVHSS for Deaf Ottapalam
2. Divya M GHSS Kadambur
3. Jayasree A GHSS Munnurcode
4. Pradeepkumar T P, KPSMMVHSS Varode
5. Sangeetha V, KPSMMHSS Varode
6. Assan Banu MA, GHSS Ganeshagiri
7. Mareena P.A LSNGHSS Ottapalam
8. Sudha P HSS Vallapuzha