



**SECOND YEAR HIGHER SECONDARY
MODEL EXAMINATION, FEBRUARY – 2024**

Part – III

Time : 2½ Hours

ECONOMICS

Cool-off time : 15 Minutes

Maximum : 80 Scores

General Instructions to Candidates :

- There is a 'Cool-off time' of 15 minutes in addition to the writing time.
- Use the 'Cool-off time' to get familiar with questions and to plan your answers.
- Read questions carefully before answering.
- Read the instructions carefully.
- 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.
- നിർദ്ദേശങ്ങൾ മുഴുവനും ശ്രദ്ധാപൂർവ്വം വായിക്കണം.
- കണക്ക് കൂട്ടലുകൾ, ചിത്രങ്ങൾ, ഗ്രാഫുകൾ, എന്നിവ ഉത്തരപേപ്പറിൽ തന്നെ ഉണ്ടായിരിക്കണം.
- ചോദ്യങ്ങൾ മലയാളത്തിലും നല്കിയിട്ടുണ്ട്.
- ആവശ്യമുള്ള സ്ഥലത്ത് സമവാക്യങ്ങൾ കൊടുക്കണം.
- പ്രോഗ്രാമുകൾ ചെയ്യാനാകാത്ത കാൽക്കുലേറ്ററുകൾ ഒഴികെയുള്ള ഒരു ഇലക്ട്രോണിക് ഉപകരണവും പരീക്ഷാഹാളിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.

1. The founding father of modern economics
 - (a) J.M. Keynes
 - (b) J.B. Say
 - (c) Adam Smith
 - (d) Amarthya Sen

2. Which of the following is example for complementary goods ?
 - (a) Tea and Coffee
 - (b) Pen and Ink
 - (c) Private bus and KSRTC bus
 - (d) Shoe and Chappals

3. The inputs that a firm uses in the production process are called _____.
 - (a) Production function
 - (b) Factors of production
 - (c) Utility
 - (d) Consumption

4. Indifference curve slopes downwards from
 - (a) right to left
 - (b) parallel to x-axis
 - (c) left to right
 - (d) vertical shape

5. The Central Bank of India is _____.
 - (a) State Bank of India
 - (b) Kerala Bank
 - (c) Reserve Bank of India
 - (d) Indian Bank

6. The record of trade in goods and services and transfer payments is known as
- (a) Capital account (b) Investment
(c) Balance of Payment (d) Current Account
7. Percentage of deposits which a bank must keep as cash reserves within the bank is
- (a) Statutory Liquidity Ratio (b) Cash Reserve Ratio
(c) Credit Creation (d) Balance Sheet
8. Find the odd one :
- (a) Unemployment allowance (b) Price support
(c) Old age pension (d) Scholarship
9. Choose the correct from the following :
- (a) $GNP = GDP - \text{Net factor income from abroad}$
(b) $GNP = GDP - \text{depreciation}$
(c) $GNP = GDP + \text{depreciation}$
(d) $GNP = GDP + \text{Net factor income from abroad}$
10. The point on the supply curve at which a firm earns only normal profit is called
- (a) Shut down point (b) Break-even point
(c) Normal profit (d) Abnormal profit

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

(4 × 2 = 8)

11. Distinguish between micro economics and macro economics.
12. Write down two features of perfect competition.
13. Point out the four major sectors in an economy according to the macro economic point of view.
14. Define Intermediate goods. Write down one example for it.
15. Write down two examples for non tax revenue.

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

(4 × 3 = 12)

16. Discuss the Central problems of an economy.
17. Draw a demand curve. State the law of demand.
18. Distinguish between excess demand and excess supply.
19. Draw a circular flow of income in two sector model.
20. What is the difference between Ex-ante investment and Ex-post investment ?

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

(4 × 4 = 16)

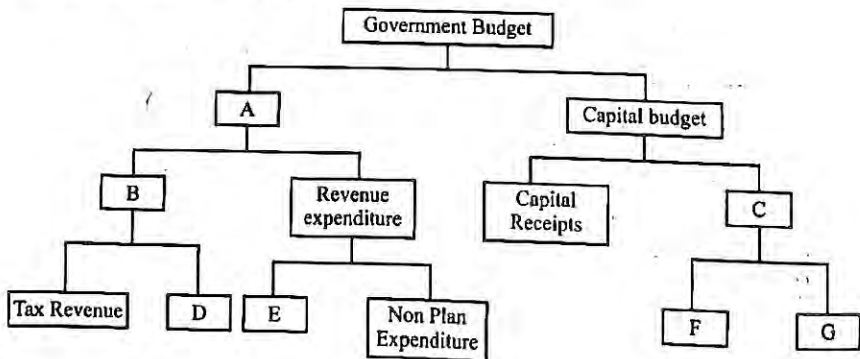
21. Diagrammatically explain Consumer's equilibrium.

22. Find out Marginal Product (MP) and Average Product (AP).

| Labour | Total Product (TP) | Average Product (AP) | Marginal product (MP) |
|--------|-----------------------|-------------------------|--------------------------|
| 0 | 0 | - | - |
| 1 | 5 | - | - |
| 2 | 10 | - | - |
| 3 | 40 | - | - |
| 4 | 50 | - | - |
| 5 | 57 | - | - |

23. Explain the determinants of a firm's supply curve.

24. Fill the components of the government budget.



25. Define Aggregate Demand and point out the Components of aggregate demand, in two sector.

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

(4 × 5 = 20)

26. Find out Total Variable Cost (TVC)

Total Fixed Cost (TFC),

Average Fixed Cost (AFC),

Average Variable Cost (AVC) &

Short run Marginal Cost (SMC)

| Output | TFC | TVC | TC | AFC | AVC | SMC |
|--------|-----|-----|----|-----|-----|-----|
| 0 | 10 | - | 10 | - | - | - |
| 1 | - | - | 20 | - | - | - |
| 2 | - | - | 25 | - | - | - |
| 3 | - | - | 30 | - | - | - |
| 4 | - | - | 50 | - | - | - |
| 5 | - | - | 60 | - | - | - |
| 6 | - | - | 80 | - | - | - |

27. Explain the three conditions of profit maximization of firms in perfect competition with the help of diagrams in short run.
28. Diagrammatically explain price ceiling and price floor.
29. What are the effects of Autonomous change in Aggregate demand on income and output ?
30. "Different countries have different methods of determining their currency's exchange rate." – What are the different types of exchange rate ? Diagrammatically explain any one.

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

(2 × 8 = 16)

31. A consumer wants to consume two goods. The prices of two goods are ₹ 3 and ₹ 4. The consumer's income is ₹ 20. Find out the following :
- (a) Write down all the bundles.
 - (b) Write down the equations of the budget line.
 - (c) Draw the budget line and state what is the slope of budget line.

32. Write down the three identities of calculating the G.D.P of a country by the three methods. Explain any two methods.
33. (A) What are the functions of Reserve Bank of India ? Write any four functions.
- (B) 'Using Monetary Policy, Reserve Bank of India controls money supply.' How ? Write any four.
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