

**SY-235**

Reg. No. : .....

Name : .....



**SECOND YEAR HIGHER SECONDARY  
SECOND TERMINAL EXAMINATION, DECEMBER-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 പരീക്ഷാഘോഷിയിൽ ഉപയോഗിക്കുവാൻ പാടില്ല.

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

(8 × 1 = 8)

1. The domestic country may sell goods to the rest of the world is called \_\_\_\_\_.  
(a) Imports (b) Net exports  
(c) Exports (d) Net imports
2. Shape of demand curve in perfect competition market.  
(a) Elastic demand curve (b) Horizontal demand curve  
(c) Vertical demand curve (d) Inelastic demand curve
3. Which of the following is the elasticity of linear demand curve ?  
(a) Greater than 1 (b) Equal to 1  
(c) Less than 1 (d) Zero
4. At the break-even point  
(a)  $TR = TC$  (b)  $TR = TP$   
(c)  $AC = MC$  (d)  $AFC = AVC$
5. Which type of goods gradually undergo wear and tear ?  
(a) Consumer goods (b) Luxury goods  
(c) Capital goods (d) Non-durable goods
6. Stocks are defined at a \_\_\_\_\_  
(a) Over a period of time. (b) Particular point of time.  
(c) No specific time limit (d) None of these

7. Read the statement and find out the correct answer from the following :

**Statement-1** : Consumption depends upon income.

**Statement-2** : Normally when income increases consumption decreases.

- (a) Both statements are correct.
- (b) Statement-1 correct, but Statement-2 incorrect
- (c) Statement-1 incorrect, but Statement-2 correct.
- (d) Both statements are incorrect.

8. Objective of the consumers are to maximise their satisfaction, likewise the objective of a firm is

- (a) Maximum production
- (b) Maximum profit
- (c) Maximum investment
- (d) Maximum capital formation

9. At higher interest rate, demand for money

- (a) Increases
- (b) Zero
- (c) Decreases
- (d) None of these

10. Read the statement and find out the correct answer from the following :

**Statement-1** : As a result of increases in input prices, cost of production increases.

**Statement-2** : Due to the technical progress, cost of production decreases.

- (a) Statement-1 correct, but Statement-2 incorrect.
- (b) Both Statements are incorrect.
- (c) Statement-1 incorrect, but Statement-2 correct.
- (d) Both Statements are correct.



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

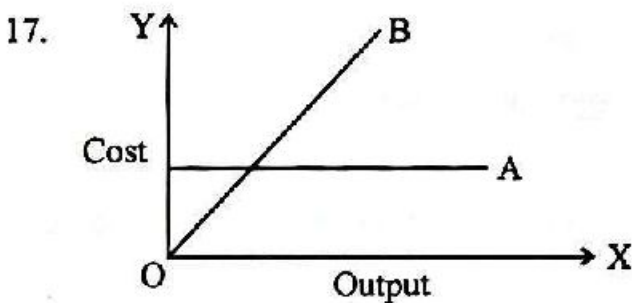
(4 × 2 = 8)

11. What do you mean by "Spread" ?
12.  $q^S = 6p + 18$  and  $q^D = 128 - 5p$ .
  - (a) Find equilibrium price.
  - (b) Find equilibrium quantity.
13. Write any two properties of indifference curve.
14. List out the four major sectors of the economy.
15. What is price line ? Draw a simple price line.

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

(4 × 3 = 12)

16.
  - (a) Define GDP.
  - (b) Write any two limitations of GDP while using it as an index of welfare of a country.



17.
  - (a) Identify the line A and line B.
  - (b) Define it.
18. Match the following :

A	B
a. Wealth of Nations	- Alfred Marshall
b. Principles of Economics	- Lionel Robbins
c. Nature and Significance of Economics	- Adam Smith

19. The following table shows the total cost schedule of a firm, price of each unit is ₹ 15 :

Output	T.C.	T.R.	Profit
0	5		
1	20		
2	33		
3	45		
4	55		
5	60		
6	80		
7	100		
8	115		

- (a) Calculate the Total Revenue and Profit at each level of output.  
(b) Find out the output level at which profit is maximum.

20. Explain drawbacks of Barter system.

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

(4 × 4 = 16)

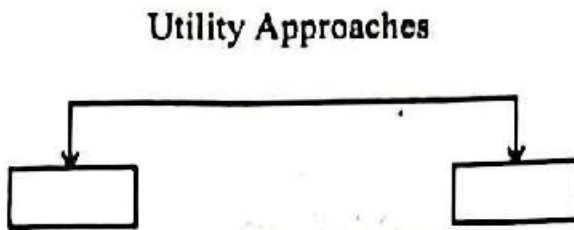
21. Diagrammatically illustrate the central problems of an economy.

22. (a) Define GDP deflator.

(b) In an economy, GDP at current price is ₹ 2,500 crores. GDP at constant price is ₹ 2,000 crores, find GDP deflator.

(c)  $NNP = GNP - \underline{\hspace{2cm}}$

23. (a) Complete the chart :



(b) Suppose an individual buys 20 apples when its price is ₹ 10 per apple. When the price increases to ₹ 20 per apple, he reduces his demand to 15 apples. Find elasticity.

24. Explain aggregate demand and its components.

25. (a) One of the method of measuring price elasticity of supply is percentage method. What is the another method ?

(b) Explain it with the help of a diagram.

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

**(4 × 5 = 20)**

26. Production and cost structure of a firm is given below, if TFC is 50, complete the table :

Output	TC	TVC	AFC	AVC	AC	MC
0	50					
1	80					
2	90					
3	95					
4	105					
5	125					

27. (a) One of the method of measuring national income is expenditure method. What are the other two methods used for measuring national income ?
- (b) Explain another two methods of measuring national income.
28. (a) Define investment multiplier.
- (b) Which equation is used to find out MPC ?
- (1)  $\frac{\Delta C}{\Delta S}$                       (2)  $\frac{\Delta Y}{\Delta C}$                       (3)  $\frac{S}{Y}$                       (4)  $\frac{\Delta C}{\Delta Y}$
- (c) If MPC = 0.5, find multiplier.
- (d) If investment increases by ₹ 200, what is the change in income ?
29. In a perfectly competitive market, prices are determined as a result of the interaction of demand and supply forces. However, in certain situations where prices of goods and services fluctuate excessively, Government intervention becomes essential. Explain, with the help of a diagram, the implications of Government intervention in the market.

**Hint :**

- (a) Price ceiling
- (b) Effects of price ceiling
- (c) Price floor
30. (a) What is the difference between Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) ?
- (b) If CRR is 0.5 and initial deposit by people is ₹ 100 crores, then calculate total money created by commercial banks.



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

**(2 × 8 = 16)**

31. (a) What are the features of perfect competition market ?
- (b) The main objective of every production unit is to maximise its profit. What are the conditions necessary for a firm under perfect competition to maximise its profit ? Explain with the help of diagram.
32. (a) Explain any four functions of Central Bank.
- (b) What are the tools used by the Central Bank to control money supply ?
33. How are equilibrium price and equilibrium quantity affected, when
- (a) Demand and supply curve shift rightward.
- (b) Demand and supply curve shift leftward.
- (c) Both demand and supply curve shift in opposite directions.
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