

GOVERNMENT OF KARNATAKA
KARNATAKA SCHOOL EXAMINATION AND ASSESSMENT BOARD

Class: II PUC

MODEL QUESTION PAPER-1

Academic Year: 2024-25

Subject: ECONOMICS (22)

Maximum Marks: 80

Time: 3 Hours

No. of Question: 43

(English Version)

- Instructions: 1. Write the question numbers legibly in the margin.
2. Answer for the questions should be continuous.
3. For PART –A questions only the first written answer will be considered for evaluation.

PART-A

I. Choose the correct answer (Each question carries 1 mark). 5x1=5

1. Traditionally, the subject matter of economics has been studied under the following broad branches.
(a) Micro and Macro Economics (b) Positive and Normative Economics
(c) Deductive and Inductive (d) Socialistic and Capitalistic economy
2. Ordinal utility analysis expresses utility in
(a) Numbers (b) Returns (c) Ranks (d) Awards
3. 'All the laborer's who are ready to work will find employment and all the factories will be working at their full capacity', this school of thought is known as
(a) Modern thought (b) Contemporary thought
(c) Classical thought (d) Neo-Classical thought
4. The value of GDP at the current prevailing prices is
(a) Real GDP (b) GDP at factor cost (c) Nominal GDP (d) NDP
5. The tax which acts as an automatic stabilizer
(a) Qualitative income tax (b) Income Tax
(c) Quantitative tax (d) Proportional income tax

II. Fill in the blanks by choosing correct answer from the bracket. (Each question Carries 1 mark.)

(Inventory, Supply, Production Units, Right, Perfect competition, Variable) 5x1=5

6. As income increases, the demand curve for normal goods shifts towards _____
7. In the long run all inputs are _____
8. Price taking behavior is the single most distinguishing characteristic of _____ market.
9. _____ will be called as firms.
10. _____ is a stock variable.

III. Match the following (Each question Carries 1 mark) 5x1=5

11.

A	B
a) Unitary elasticity of demand	i) Long run average cost
b) LRAC	ii) Medium of Exchange
c) Normal profit	iii) $QD=QS$
d) Money	iv) Dirty floating
e) Managed floating	v) $ ed =1$
	vi) Zero profit

IV. Answer the following questions in a sentence or a word. (Each question carries 1 mark) 5x1=5

12. What is Normative economic analysis?
13. What is Demand?
14. Give the meaning of imports.
15. Expand CPI.
16. What do you mean by Open economy?

PART-B

V. Answer any Six of the following in 4 sentences each. (Each question carries 2 marks) 6x2=12

17. What is monotonic preference?
18. Mention the types of returns to scale.
19. Mention the two determinants of a firm's supply curve.
20. Give the meaning of price elasticity of supply and write its formula.
21. What are the features of capitalistic economy?
22. What is the difference between consumer goods and capital goods?
23. Mention 3 methods of measuring GDP (National income).
24. Mention the two motives of demand for money.
25. Write the meaning of excess demand and deficient demand.
26. Mention the three linkages of open economy.

PART-C

VI. Answer any five of the following questions in 12 sentences each. (Each question carries 4 marks)

5x4=20

27. Discuss how the Family Farm, Weaver and Teacher can use their resources to fulfill their needs in a simple economy.
28. Present the derivation of slope of the budget line.
29. Identify the differences between substitutes and complements.
30. Write about the concept of Price Floor.
31. Illustrate unplanned accumulation and decumulation with an example.
32. Briefly explain the functions of RBI.
33. Briefly explain the revenue deficit and fiscal deficit.
34. Draw the chart of components of capital account.
35. Write the merits and demerits of flexible and fixed exchange rate system.

PART-D

VII. Answer any three of the following questions in 20 sentences each. (Each question carries 6 marks)

3x6=18

36. Explain the optimal choice of consumer with the help of diagram.
37. Explain the various short run costs.
38. Explain the market equilibrium with the fixed number of firms with the help of diagram.
39. Write down some of the limitations of using GDP as an index of welfare of a country.
40. Analyse the effect of autonomous change in aggregate demand on income and output.

PART-E

VIII. Answer any two of the following projects and assignment-oriented questions.

(Each question carries 5 marks)

2x5=10

41. Compute the Total Revenue, Marginal Revenue and Average Revenue schedules from the following table when market price of each unit of good is Rs.25.

Quantity sold (q)	TR	MR	AR
0			
1			
2			
3			
4			
5			

42. Write about the impact of Demonetisation on Indian Economy.
43. Prepare a balanced budget on monthly income and expenditure of your family.