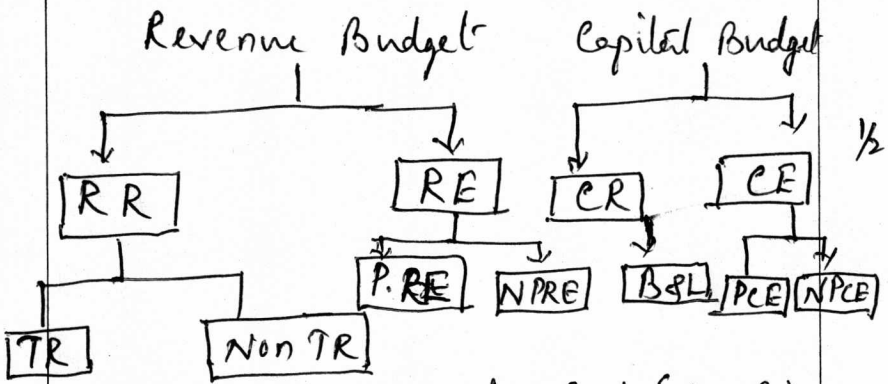
**SECOND YEAR HIGHER SECONDARY EXAMINATION, JUNE 2017.**
**(Finalised Scheme of Valuation)**



**Subject: Economics**

**Code No: 7026**

| Qn.No | Scoring Indicators | Split Score | Total Score |
|---|---|---|---|
| 1.(c) | Public Utility Services are Provided by Private individuals | 1 | 1 |
| 2. | Paradox of thrift | 1 | 1 |
| 3 | Consumer goods: Books, Chocolate, Clothes<br>Capital goods: Coal, Machines, Buildings<br>Any correct 4 Points 2 marks | 2 | 2 |
| 4 | A – B<br>(a) Keynes – General Theory<br>(b) Externalities – Pollution<br>(c) Public goods – Non-excludable<br>(d) Purchasing Power Parity – Exchange rate | 1<br>1<br>1<br>1 | 4 |
| 5 | Draw PPC<br>Mark a Point below it | 2<br>1 | 3 |
| 6 | Micro – (b) (d)<br>Macro – (a) (c) | 1<br>1 | 2 |

| Qn. No | Sub Qns | Answer Key / Value points | Score | Total |
|---|---|---|---|---|
| 7. | | Trade surplus = $X > M$ or $(M < X)$<br>Trade deficit = $X < M$ or $(M > X)$ | 1<br>1 | 2 |
| 8 | | Monetary Policy Instruments like Bank rate, Open market operations, Cash reserve ratio, Sterilisation by RBI, Moral Suasion, Direct Action .. etc (Any 4 Points with explanations) | 2<br>2<br>2<br>2 | 8 |
| 9 | |  <br>½ marks each (½ × 8) | ½ × 8 | 4 |
| 10 | | Horizontal straight line, Parallel to 'x' axis, AR, MR (Any one Point) | 1 | 1 |
| 11 | | (a) False (b) True (c) False | 1+1+1 | 3 |
| 12 | | TC, TFc, TVC (equations only 2 marks)<br>Correct Diagrams (full marks | | 4 |

| Qn. No | Sub Qns | Answer Ke y / Value points | Score | Total |
|---|---|---|---|---|
| 13 | | APC = C/Y Ans: 0.4 or 3.6<br>MPC = $\frac{\Delta C}{\Delta Y}$ Ans : 0.2<br>equation 1/2, Calculation 1/2, Answer 1/2 | 1½<br>1½ | 3 |
| 14 | | Definition<br>Diagram<br>Explanation | 2<br>3<br>3 | 8 |
| 15 | | Change in Equilibrium<br>NO Change in Price<br>Qty Increase<br>Explanation Or correct Diagram (full marks) | 1<br>1<br>1 | 3 |
| 16 | | $\frac{\text{Nominal GDP}}{\text{Real GDP}} \times 100$ Or $\frac{\text{GDP}}{\text{gdp}} \times 100$ $\frac{5750}{4000} = 143.75$<br>equation 1, Calculation 2, Ans: 1 | 1<br>2<br>1 | 4 |
| 17 | | Any One example for each good | | 4 |
| 18 | | Rightward shift, upwardshift or diagram representation | 1 | 1 |
| 19 | | M1 = CU + DD<br>M2 = M1 + Saving deposits . . .<br>M3 = M1 + Net Time deposit . .<br>M4 = M3 + Total deposit with P.O.. (NSC) | 1<br>1<br>1<br>1 | 4 |

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|---|---|---|---|---|
| 20 | | $10 - P + 15 - P = 25 - 2P$<br>$25 - 2 \times 10 = 5$ | 1<br>2 | 3 |
| 21 | (a)<br>(b)<br>(c)<br>(d) | Monopolistic competition<br>Monopoly<br>Perfect competition<br>Oligopoly | 1<br>1<br>1<br>1 | 4 |
| 22 | | $Y$ = Income,<br>$\bar{A}$ = Autonomous exp., $\bar{A} = \bar{C} + \bar{I}$<br>$c$ = MPC | ½<br>1<br>½ | 2 |
| 23 | | Capitalism, Mixed economy (Define) | 1+1 | 2 |
| 24 | | Diagram<br>Explanation | 2<br>2 | 4 |
| 25 | | Equation, Calculation, Ans : 0.165 | 1+1+1 | 3 |

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