SECOND YEAR HIGHER SECONDARY EXAMINATION MARCH 2018

SUBJECT : Economics CODE. NO: 9026

Qn No	Sub Qns	Answer Key/Value Points	Score	Total
1.		Malayalam version of the question is not matching with its English version. So any answer belonging to a, b, c or d - give one score	1	1
2.	(c)	The value of Net factor income from abroad is zero	1	1
3.		(d) Money Multiplier	1	1
4.		(a) Paradox of Thrift (b) Capital Receipts	1+1	2
5.		(a) Monopolistic Competition → Fairly large Number of sellers → Differentiated Products	½+½	
		(b) Monopoly → Single Seller → Absence of Substitution	½+½	3
		(c) Oligopoly → a few sellers → Homogeneous or differentiated products	½+½	
6.	a.	curve (1) → MP curve (2) → AP	½+½	2
	b.	Any one relationship (i) As far as AP increases MP also increases (ii) AP is maximum when AP = MP (iii) when MP falls below AP, AP decreases.	1	

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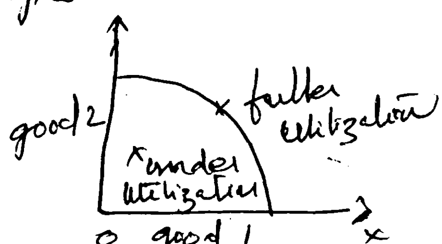
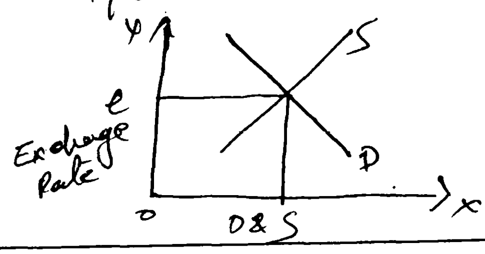
7		Equilibrium Price = 5 Equilibrium Quantity = 70	1+1	2
8.		GDPMP = C+I+G+(X-M) = 6500+5000+4000+600-900	1	2
		GDP_{MP} = 15200	1	
9.		Ep at A, relatively elastic / >1 Ep at B, relatively inelastic / <1	1 1	2
		[Equation - $\frac{\text{lower portion / Segment}}{\text{Upper portion / segment}}$ Entry level - 1 score]		
10.		M_1 = CU + DD = 60,000 M_3 = M_1 + Net time deposits = 63000	1 1	2
		[For Equation only - Entry level - 1 score]		
11.		Uniform price / when output is zero TR is also zero / when output increases TR also increases in the same proportion	2	2

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total
		OR Any two features of Perfect Competition - 2 score		
12.		statement 1: product Market linkage	1	2
		statement 2: Financial Market linkage	1	
13.		Revenue Receipts : (i), (iv)	1+1	2
		capital Receipts : (ii) (iii)		
14.		Diagram 	1	2
		correct Marking on diagram	1	
15.		Diagram - Flexible Exchange rate system	2	3
		Explanation -	1	
		[Graph with or without explanation 3 score] 		

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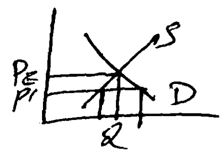
16.		Figure 1 - Elastic Supply Figure 2 - Unitary Elastic Supply Figure 3 - Inelastic / less Elastic / Relatively Inelastic supply	1 1 1	3
17.		Any relevant 3 points of the emergence of Macro Economics	1 1 1	3
18.		a.) Monopoly b.) Figure 1 → TC, Figure 2 → TR c.) q_2	1 1 1	3
19.		a.) Tax Multiplier $= \frac{-c}{1-c} = -1.5$ b.) Govt. Exp. Multiplier $= \frac{1}{1-c} = 2.5$ c.) Open Economy Multiplier $= \frac{1}{1-c+m} = 2.22$ (Any two correct answer, give full score)	1 1 1	3
20		Any 3 points infavour or against Public debt	1 1 1	3
21.		Yes / No - Entry level short Run Production function	1	

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total
		a.) Law of Variable Proportion d.) Same inputs kept Constant f.) Law of diminishing Marginal product long-run production function b.) Returns to scale c.) All inputs are variable e.) Factors are changing proportionately	$\frac{1}{2} \times 6$	3
22	a	Ceiling Price  Diagram Explanation	1 2	3
	b	Rationing Black Marketing / Dual Marketing Long queues	2	2
23	a	Output Multiplier $= \frac{1}{1-c} = 2.5$ [(b) and (c) versions of Malayalam version do not match with its english version. So any attempt regarding (b) & (c) only carries 4 score]	5	5

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total
24.	a	Non-rivalry & non-excludability	2	
	b.	Characteristics of private goods	1	5
	c.	Public goods - any two eg: Private goods - any two eg:	2	
25.	a.	Perfect Competition	1	
	b.	Perfect Competitive Equilibrium in the short run		
		(i) Any one diagram with profit Maximisation	2	5
		(ii) Any two conditions of profit Maximisation	2	
26.		Diagram	3	5
		Explanation - any two points	2	
27.		Features of Oligopoly / Duopoly (Any 3 points)	5	5
28.	a	Bank Rate Policy	1	
	b.	Correct Operation of any 3 policy instruments	3x2	

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total
	c.	Sterilization / Open Market Operation (Functions of RBI - 3 score)	1	8
29.	a	$GDP \equiv \sum_{i=1}^{N} GVA_i / GVA_1 + GVA_2 + \dots + GVA_n$ $\equiv \sum_{i=1}^{N} RV_i = C + I + G + X - M$ $\equiv W + P + In + R$	3	
	b	$GVA_{MP} \rightarrow A$ = Gross Value - Intermediate Consumption = 5500/-	1+1	8
		$GVA_{MP} \rightarrow B \Rightarrow$ Equation = 16000/-	1+1	
	c.	GDP_{MP} = GVA_{MP} of firm A + GVA_{MP} of firm B = 21500/-	1	
30.	(a)(i)	$P_1X_1 + P_2X_2 = M / 10X_1 + 5X_2 = 200$	1	8
	(ii)	Slope $= -P_1/P_2 = -10/5 = -2$	1	
	(iii)	Horizontal Intercept $M/P_1 = \frac{200}{10} = 20$ Vertical Intercept $M/P_2 = \frac{200}{5} = 40$	1+1	
	(b)	Diagram - Consumer's Equilibrium	4	

Scheme finalised by:
1. V. S. VINU. SMVHSS Poonjar. Kottayam Dist. 9446604227
2. Sakthikrishnan. M, HSS Thiruvanvandoor, Alappuzha Dist. 9497094292

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total
		Madhusoodanan. M-M NVT Economics, MRVHSS Padne		
		Sheyin. K.K St Judeo HSS. U		
		ERAMU. K.A, MSMHSS, Kallingalparamba		
		Jayasree. G NVTr in Eco, BNVV+H.SS Thiruvallam Tvpm		
		D. Pushpalatha Thankachy HSST Economics V.V.H.S.S. POREDOM, KOLLAM.		
		Vimaya E.V NVT IN ECONOMICS K.N.M .V.HSS Vatanappally Ph no - 9400687087		
		BIYAMOL.M, NVT in Economics SNVHSS, Sreekandeswaram, Poochakkal, Alappuzha		
		Jose K Mathew AMM HSS Edayaranmula		
		Pradeesh.V.L - mambaram HSS		

Shibu.S.V. GNH.SS. Kumarakom Kottayam