ANSWER KEY

SECOND YEAR HIGHER SECONDARY EXAMINATION ...MARCH... 2024

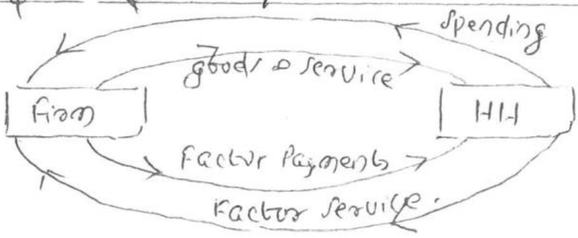
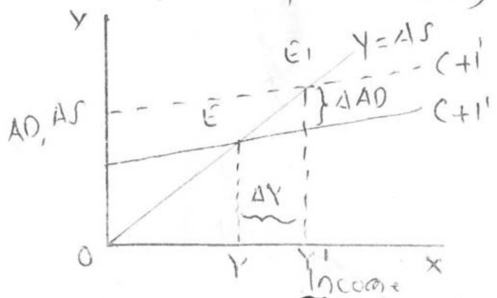
PART-~~I/II~~/III

SUBJECT: ......ECONOMICS......

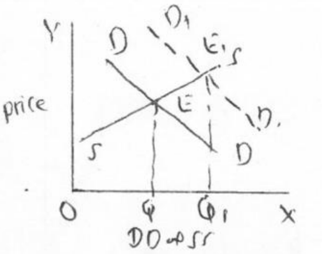
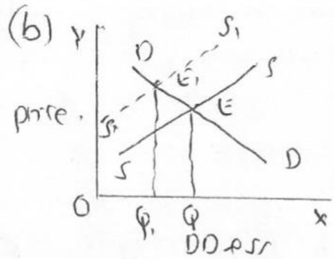
CODE NO: **SY 535** VERSION:...A...

..80.. SCORES 2.30 HOURS

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total Score
1		(c) General theory	1	1
2		(a) NNP	1	1
3		(d) All of the above	1	1
4		(c) Average Cost	1	1
5		(b) Factor Cost + NIT	1	1
6		(a) Break-even Point or b or c.	1	1
7		(c) 10	1	1
8		(c) Both 'a' & 'b'	1	1
9		(a) Marginal rate of substitution	1	1
10		(b) Balance of trade or any option	1	1
11		Definition of PPC / PPF ~~MRS~~ MOC or any attempt	1 1	2
12		(a) supply curve shift downward / rightward (b) " upward / leftward	1 1	2
13		Household, firm, Government, External Sector	$\frac{1}{2}\times4$	2
14		Stock – measured at a point of time Flow – " during a period of time one example each	1 1	2
15		Budget definition Any two objectives	1 $\frac{1}{2}+\frac{1}{2}$	2
16		A / B / C Micro Economics / Pricing of a firm / Salary of a worker Macro Economics / Inflation / Per Capita income Normative Econo / What ought to be / Desirability of mechanism	1 1 1	3

Qn. No	Sub Qns	Answer Key/Value Points	Score	Total Score
17	(a)	utility Q.17. Any attempt give full 3 score.	1	3
	(b)	Any two features – Subjective, Different persons get different utility from same commodity, Varies from time, place etc.	2	
18	a)	AR – Revenue per unit of output sold MR – Addition to the TR when an additional unit of output is sold	1 1	3
	b)	$AR = \frac{TR}{Q} = \frac{P.Q}{Q} = P$ / uniform price / Diagram	1	
19			3/4 × 4	3
20	a)	Functional relationship between Income and Consumption	1	3
	b)	$\overline{C}$ = Autonomous Consumption c = MPC	1 1	
21	a)	$\frac{\Delta Q}{\Delta P} \times \frac{P}{Q} = \frac{3}{10} \times \frac{30}{5} = 0.3 \times 6 = \underline{\underline{1.8}}$	2	4
	b)	Nature of good, Availability of substitutes or any other relevant point	1+1	
22.		TFC, TVC, TC, AFC, AVC, AC, MC with any one equations (Any four only) or without equations 2 score	1×4	4.
23		Large number of buyers & sellers, Homogenous products, free entry & exit, perfect information or any other relevant 4 points	1×4	4
24	(a)	$\therefore Y = \frac{\overline{A}}{1-c} = \frac{90}{1-.8} = \frac{90}{.2} = 450$ Crores.	4	4
		OR	OR	
	(b)	AD, AS Interaction – Explanation Diagram 	2 2	

(Dotted line showing C+I not needed)

<table>
<tr><th>Qn. No</th><th>Sub Qns</th><th>Answer Key/Value Points</th><th>Score</th><th>Total Score</th></tr>
<tr><td>25</td><td>(a)</td><td>Revenue receipts – receipts from tax and non tax revenue, Capital receipts – receipts from loan or sale of assets. or relevant explanation</td><td>2</td><td rowspan="2">4</td></tr>
<tr><td></td><td>(b)</td><td>RR – (Direct tax, Indirect tax) Income tax, Prof. In. tax, Corp. In tax, Wealth tax, gift tax, fee, fine, grants from foreign (Any Two)
CR – All types of loans, sale of Govt. assets, including disinvestment. (Any Two)</td><td>½×2
½×2</td></tr>
<tr><td>26</td><td></td><td>Variable proportion – Correct explanation ~~with three stages~~
Diagram</td><td>03
02</td><td>5</td></tr>
<tr><td>27</td><td></td><td>P=MC
MC non decreasing
In SR $P \geq AVC$, In LR $P \geq AC$
Condition with Explanation full credit
(points only with diagram full score)</td><td>05</td><td>05</td></tr>
<tr><td>28</td><td>(a)</td><td>
EP – Increase
EQ – Increase
(b) 
EP – Increase
EQ – Decrease.</td><td>2½
2½</td><td>5</td></tr>
<tr><td>29</td><td></td><td>

Y	C	S	apc	mpc	aps	mps
15,000	15,000	0	1	—	—	—
20,000	18,000	2000	0.9	0.6	0.1	0.4
25,000	21,000	4000	0.84	0.6	0.16	0.4
30,000	23,500	6500	0.78	0.5	0.22	0.5

For each correct equation give ½ score each</td><td>1×5</td><td>5</td></tr>
<tr><td>30</td><td></td><td>Demand and supply of foreign exchange, factors affecting demand and supply of foreign exchange (Diagram is non-necessary if explanation is clear)
DD & SS interaction
Factors affecting DD of FE
" SS of FE
OR
Determination of exchange rate with diagram</td><td>1
2
2
3+2</td><td>5</td></tr>
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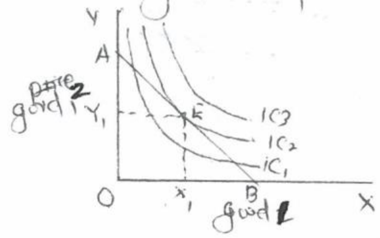
Qn. No	Sub Qns	Answer Key/Value Points	Score	Total Score
31	(a)	three properties – (1) IC slopes downward from left to right (2) Higher IC gives higher level of utility (3) Two IC never intersect each other.	03	
	(b)	Optimal choice explanation – Tangency of Budget line with highest possible IC etc	03	08
		Diagram 	02	
32	(a)	Meaning of GDP, Nominal GDP & real GDP	1x3	
	(b)	No. It depends up on three factors (i) Distribution of GDP (ii) Non-monitory exchange (iii) Externalities. (All three points with explanation only full score)	05	08
33	(a)	(1) Issue of currency notes, (2) Banker to the govt, (3) Bank to the banking system (4) Custodian of foreign exchange reserve – Any three points	3	
	(b)	1) Quantitative measures Bank rate – Meaning, working – Increase in BR 2) Open market operation – meaning – Sale of it (outright operation & Repo) 3) CRR – Meaning – Increase ~~Quantitative~~ & Qualitative measures. Includes – Moral suasion, margin requirements etc. Quantitative with Explanation Qualitative measures	 04 01	08