

**DIRECTORATE OF GOVERNMENT EXAMINATIONS CHENNAI –6
HIGHER SECONDARY FIRST YEAR EXAMINATION –MAY –2022**

Economics Answer key

NOTE :-

1. Answers written with Blue or Black ink only to be evaluated.
2. Choose the most suitable answer in Part-I from the given alternatives and write the option code and the corresponding answer.
3. If any one of the answer option code or answer is wrong 'O' marks to be awarded.
4. Marks can be awarded, if students write in their own sentences with Economics related concepts and explanations.

TOTAL MARKS: 90

PART - I

Answer all the questions.

20x1-20

Q. No	Option code	Type A	Q. No	Option code	Type -B	Marks
1	a	Chennai	1	d	All of the above	1
2	d	Production function	2	a	Marginal	1
3	d	1990-1992	3	a	Well	1
4	a	Marginal	4	d	TC/Q	1
5	a	Well	5	d	1990-1992	1
6	b	Unitary Elastic Demand	6	a	Product differentiation	1
7	c	Differentiation	7	b	April 2000	1
8	a	Product differentiation	8	c	A system where persons buy and sell goods directly or indirectly	1
9	a	France	9	b	Benham	1
10	d	Maximum	10	d	Production function	1
11	b	Benham	11	c	Differentiation	1
12	a	Alfred Marshall	12	c	a single point tax with no cascading effect	1
13	b	Poverty	13	a	Alfred Marshall	1
14	a	Tamil Nadu	14	b	Poverty	1
15	c	A system where persons buy and sell goods directly or indirectly	15	b	Unitary Elastic Demand	1
16	c	a single point tax with no cascading effect	16	a	France	1
17	d	TC/Q	17	d	Maximum	1
18	b	April 2000	18	a	Chennai	1
19	d	The Law of Variable Proportions	19	a	Tamil Nadu	1
20	d	All of the above	20	d	The Law of Variable Proportions	1

PART - II**Answer any 7 questions. Question No.30 is compulsory :****7×2=14**

Q.No	Answer	Marks
21	<p>Types of Utility</p> <ol style="list-style-type: none"> 1. Form Utility 2. Time Utility 3. Place Utility 4. Service Utility 5. Possession Utility 6. Knowledge Utility <p style="text-align: right;">(Any two points)</p>	2
22	<p>Classifications of Goods</p> <ol style="list-style-type: none"> 1.Necessaries 2.Comforts 3.Luxuries <p style="text-align: right;">(Any two points)</p>	2
23	<p>Production function</p> <p>Production function refers to the relationship among units of the factors of production (inputs) and the resultant quantity of a good produced (output) (Or)</p> <p>$Q = f \{N, L, K, T\}$</p>	2
24	<p>Explicit costs</p> <p>Payment made to others for the purchase of factors of production is known as Explicit costs.</p>	2
25	<p>Distribution</p> <p>Distribution means division of income among the four factors of production</p>	2
26	<p>The reasons for low per capita income as given by V.K.R.V. Rao</p> <ol style="list-style-type: none"> i. Uneconomic holdings with subdivisions and fragmentation; ii. Low levels of water availability for crops; iii. Excess population pressure on agriculture due to the absence of a large industrial sector; iv. Absence of capital; v. Absence of autonomy in currency policy, and in general in monetary matters encouraging holding of gold. <p style="text-align: right;">(Any two points)</p>	2

27	Rural Economy Rural Economics deals with the application of economic principles in understanding and developing rural areas	2
28	Four food crops favourable to Tamil Nadu. 1.Kambu 2. Maize 3.Groundnut 4. Oil seeds (or) (Any four food crops of Tamil nadu)	2
29	Features of the Perfect Competition 1.Large Number of Buyers and Sellers 2.Free Entry and Exit 3.Absence Of Transport Cost 4. Perfect Mobility of Factors of Production 5. Homogeneous Product and Uniform Price 6. No government intervention 7. Perfect knowledge of the market (Any two points)	2
30	Worksheet A worksheet is a table like document containing rows and columns with data and formula	2

Part – III

Answer Any 7 Questions. Question No.40 Is Compulsory :

7×3 =21

Q.No	Answer	Marks
31	Features of human wants 1. Wants are unlimited 2. Wants become habits 3. Wants are Satiable 4. Wants are Alternative 5. Wants are Competitive 6. Wants are Complementary 7. Wants are Recurring (Any three points)	3
32	The functions of Entrepreneur 1.Initiation 2.Innovation 3.Coordination 4.Control, Direction and Supervision 5.Risk-taking and Uncertainty-bearing (Any three points)	3

33	<p>Ambedkar's Economic ideas on agricultural economics.</p> <p>1. In 1918, Ambedkar published a paper "Small Holding in India and their Remedies".</p> <p>2. Citing Adam Smith's 'Wealth of Nations', he made a fine distinction between "Consolidation of Holdings" and "Enlargement of Holdings".</p>	3
34	<p>Reasons for nationalization of commercial banks</p> <p>After Independence, the Government of India adopted planned economic development. For this purpose, Five Year Plans came into existence since 1951.</p> <p>The main objective of the economic planning aimed at social welfare. Before Independence commercial banks were in the private sector.</p> <p>These commercial banks failed in helping the Government to achieve social objectives of planning.</p>	3
35	<p>Globalization</p> <p>Globalization refers to the integration of the domestic (Indian) economy with the rest of the world</p>	3
36	<p>Regional Rural Banks</p> <p>RRBs are recommended with a view to developing rural economy by providing credit and other facilities particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs. RRBs are set up by the joint efforts of the Centre and State Governments and commercial banks.</p> <p>(OR)</p> <p style="text-align: center;">Any Three Points about RRBs</p>	3
37	<p>Performance of Tamil Nadu economy in health</p> <p>I. The Tamilnadu state has come Third in a health index reporting India.</p> <p>II. The Neo Natal Mortality rate is lower than of many other state.</p> <p>III. The reasons for the relative success of the Tamilnadu lie in extending social policies to cover most of the populations.</p>	3

38	Marginal Revenue $TR = 50Q - 4Q^2$ $MR = d(TR)/dQ$ $MR = 50(1)Q^{1-1} - 4(2)Q^{2-1}$ $= 50(1)Q^0 - 8Q^1$ $= 50(1) - 8Q$ $MR = 50 - 8Q$ when $Q = 3$ $MR = 50 - 8(3)$ $= 50 - 24$ $MR = 26$	1 1 1
39	Subdivisions of economics 1. Consumption 2. Production 3. Exchange 4. Distribution (Explain any one of them)	3
40	The relationship between AC and MC 1. When AC is falling, MC lies below AC. 2. When AC becomes constant, MC also becomes equal to it. 3. When AC starts increasing, MC lies above the AC. 4. MC curve always cuts AC at its minimum point from below. (OR) Diagram with Explanation	3

PART – IV

Answer all the questions :

7×5 =35

Q.No	Answer	Marks
41 (a)	Definitions of Economics 1. Wealth Definition - Adam Smith 2. Welfare Definition- Alfred Marshall 3. Scarcity Definition- Lionel Robbins 4. Growth Definition- Samuelson (Compare and contrast the definitions)	5
41 (b)	Various sources of energy in Tamil Nadu 1. Nuclear Energy (with explanation) 2. Thermal Power (with explanation) 3. Hydel Energy (with explanation) 4. Solar Energy (with explanation) 5. Wind Energy (with explanation)	5

42 (a)	The Law of Diminishing Marginal Utility Definition Assumptions Diagram Illustration	1 1 2 1
42 (b)	Features of EXIM policy 2015 -2020 (i) “Make in India” concept – Reduce export (ii) Digital India concept online procedure to upload digitally signed documents (iii) Repeatal submission of physical copies document are not required. (iv) Export obligation period for export items related defence and nuclear energy to be 24 month. (v) To double the share of india in world trade.	1 1 1 1 1
43 (a)	Laws of Returns to Scale Assumptions Three Phases of Returns to Scale Diagrammatic Illustration	1 2 2
43 (b)	The problems of rural economy 1. People Related Problems 2. Agriculture Related Problems 3. Infrastructural Related Problems 4. Economics related Problems 5. Social and Cultural Problems 6. Leadership Related Problems 7. Administrative Problems (Any five with explanation)	5
44 (a)	The relationship between AR and MR curves under various price conditions Constant AR and MR (at fixed price) Declining AR and MR (at Declining Price)	2 ½ 2 ½
44 (b)	Consumer surplus Definition Assumptions Diagrammatic illustration	1 1 3
45 (a)	Price and Output Determination under Perfect Competition Price & Output Determination-Perfect Competition during Short Run Perfect Competition: Firm’s Equilibrium in the Long Run	2 ½ 2 ½

45 (b)	Public transport system in Tamil Nadu 1. Road 2. Rail 3. Air 4. Ports <p style="text-align: right;">(With explanation)</p>	5
46 (a)	Strong Features of Indian Economy 1. India has a mixed economy 2. Agriculture plays the key role 3. An emerging market 4. Emerging Economy 5. Fast Growing Economy 6. Fast growing Service Sector 7. Large Domestic consumption 8. Rapid growth of Urban areas 9. Stable macro economy 10. Demographic dividend <p style="text-align: right;">(any five with explanation)</p>	5
46 (b)	The Marginal Productivity Theory of Distribution Explanation of the Theory Assumptions Diagram Diagrammatic illustration	1 1 2 1
47 (a)	Role of SSI in economic development 1. Provide employment 2. Bring balanced regional development 3. Help in mobilisation of local resources 4. Pave for optimisation of capital 5. Promote exports 6. Complement large scale industries 7. Meet consumer demands 8. Develop enterpreneurship <p style="text-align: right;">(Any five point with explanation)</p>	5
47 (b)	The ideas of information and communication technology used in economics <p style="text-align: right;">(Any relevant five points)</p>	5