

**BLUE PRINT OF THE MODEL QUESTION PAPER-1 FOR I YEAR PUC**

**ECONOMICS**

**Maximum Marks=90**

Serial number of topic in the syllabus	Hours Alloted	Objectives																GRAND TOTAL
		Knowledge				Understanding/Comprehension				Application/Expression				Skill Expression				
		VSQ	SQ	LQ	EQ	VSQ	SQ	LQ	EQ	VSQ	SQ	LQ	EQ	VSQ	SQ	LQ	EQ	
1	18	-	-	1	-	1	-	1	-	1	-	-	1	1	1+1	-	-	27
2	12	-	-	-	-	-	1	1	-	1	-	-	-	-	1	-	1	20
3	15	-	-	1	-	1	-	1	-	-	-	-	1	-	1	-	-	23
4	9	-	1	-	-	1	1	1	-	-	-	-	-	-	1	1	-	17
5	4	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	5
6	8	1	-	-	-	-	-	1	-	-	1	-	-	-	-	-	-	8
7	12	-	-	-	-	1	1	1	1	-	-	-	-	1	-	-	-	19
8	12	1	-	-	-	-	1+1	-	-	-	-	1	-	-	-	1	-	15
Total	90	2	1	2	-	4	5	7	1	2	1	1	2	2	5	2	1	134

Notes:

1) VSQ refers to Very Short Type Question and each question carries 1 mark; SQ refers to Short Type Question and each question carries 2 marks; LQ refers to Long Type Question and each question carried 5 marks; and EQ refers to Essay Type Question and each question carries 10 marks.

2) Grand total is equal to the sum of the number of questions multiplied by the number of mark/s for each question. For instance, the first element in the column is equal to  $27 = (3 \times 1) + (2 \times 2) + (2 \times 5) + (1 \times 10)$ .

3) Serial number of topic 1 refers to Introduction; Topic 2 refers to Consumption; Topic 3 refers to Production; Topic 4 refers to Cost, Revenue and Market Structure; Topic 5 refers to Elements of Welfare Economics; Topic 6 refers to National Income; Topic 7 refers to Theory of Money; and Topic 8 refers to International Trade.

MODEL QUESTION PAPER  
ECONOMICS

Time : 3 Hours 15 minutes

Maximum Marks : 90

General instructions: (1) Write the question numbers legibly in the margin. (2) Answers for a question should be continuous.

PART - A

Answer the following in one sentence each

1 x 10 = 10

- 1) What does Marshall's approach to definition of economics emphasise?
- 2) Identify one normative and one positive statement from the following :
  - a) Bread prices should be lower.
  - b) Lower diesel prices lead to higher consumption of diesel.
  - c) The poor should pay no taxes.
  - d) Lower tax rates bring higher tax revenue.
- 3) State whether the following statement is true or false.  
"Individual saving is a virtue but collective saving is a vice"
- 4) Give an example of a positive and a negative integer value in economics?
- 5) Is a car a luxury good or a necessary good to a heart surgeon ?
- 6) What is Net Domestic Product at market prices?
- 7) How many sellers comprise an oligopoly market?
- 8) Is currency with the public a component of  $M_1$  or  $M_2$  ?
- 9) Expand IBRD.
- 10) The price of computers has increased owing to increase in the prices of their components. Is it a cost - push inflation or demand - pull inflation?

PART-B

Answer any ten of the following in about four sentences each

2 x 10 = 20

11. Distinguish between micro and macro economics.
12. Identify the dependent and independent variables in the demand function:  $Q_d = f(p)$ , where  $Q_d$  is the quantity demanded and  $p$  is the price.
13. Let the total output of the firm be 100 units. Let the number of labourers employed be 10. When the number of labourers employed increased to 11, the total output increases to 110. Calculate the marginal output of the firm and the average output per unit of labour.
14. Distinguish between Gross Domestic Product and Gross National Product.
15. Write any four advantages of free trade policy.
16. Mention any two motives for demand for money with suitable examples.
17. State the nature of growth of food supply and population in Malthusian theory.
18. Give the four objectives of International Monetary Fund.
19. State the meaning of fixed cost and variable cost of production.
20. State four features of monopoly.
21. State the law of demand and slope of a linear demand function.
22. Give two examples each for direct consumption and indirect consumption.

### PART-C

Answer any eight of the following in about fifteen sentences each

5 x 8 = 40

23. State and explain the scarcity definition of economics.
24. Give the meaning of an economy. State the basic problems of an economy.
25. What is utility ? Explain the forms of utility
26. What is capital ? Explain the process of capital formation.
27. Explain the functions of an entrepreneur with special reference to innovation.
28. What is market ? What are the features of perfect competition ?
29. What is the basis of international trade ? Distinguish between absolute and comparative cost advantage.
30. What is foreign exchange ? Bring out the difference between fixed exchange rate and floating exchange rate.
31. Explain the major elements of money policy to control price inflation.
32. Draw diagrams to show average and marginal cost and revenue functions.
33. Explain the different methods of estimation of national income.
34. Give the meaning of welfare economics. State the first and second theorems of welfare economics.

### PART - D

Answer any two of the following in about forty sentences

10 x 2 = 20

35. Explain the law of diminishing marginal utility with the help of schedule and diagram.
36. Examine the theory of demographic transition of population.
37. Define money ? Explain the primary and secondary functions of money.
38. Distinguish between the following approaches to economic theory:  
(a) Static and dynamic analysis.  
(b) Partial and general equilibrium analysis.

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