

Telangana State Board of Intermediate Education, Hyderabad
MODEL QUESTION PAPER

Part III

ECONOMICS, Paper-I

(English Version)

Time: 3 Hours]

[Max.Marks:100

SECTION A

Note: Answer ANY THREE out of the following five questions in not exceeding 40 lines each. **3 x 10 = 30**

1. Describe the law of diminishing marginal utility, its limitations and importance.
2. Explain short-run costs of a firm with suitable graphs and illustrations.
3. Explain the meaning of perfect competition. Illustrate the mechanism of price determination under perfect competition.
4. Define rent and explain critically the Ricardian theory of rent.
5. Critically examine the classical theory of employment.

SECTION B

Note: Answer ANY EIGHT out of the following twelve questions in not exceeding 20 lines each. **8 x 5 = 40**

6. Distinguish between microeconomics and macroeconomics.
7. What is an indifference curve? What are its assumptions?
8. What are the factors that determine the demand?
9. Explain the relationship between average cost and marginal cost.
10. What is monopoly ? What are its characteristics?
11. Point out the assumptions and limitations of marginal productivity theory.
12. Explain the differences between gross national product at market prices and gross national product at factor prices
13. Explain the concept of effective demand.
14. Write a note on Finance Commission and its functions.

15. Explain the primary and secondary functions of money.
16. State any three major (general) functions of a central bank.
17. What are the characteristics of a good average ?

SECTION C

Note: Write notes on ANY FIFTEEN out of the following twenty questions in not exceeding 5 lines each. **15 x 2 = 30**

18. What is wealth ?
19. What is normative economics ?
20. Explain Marginal rate of substitution.
21. What is Price line / budget line ?
22. Explain Giffen's paradox.
23. What is perfectly inelastic demand ?
24. Explain the external economies.
25. Describe the total fixed cost curve.
26. What is Duopoly ?
27. What are the Selling costs ?
28. What are real wages ?
29. What is net interest ?
30. What is real per capita income ?
31. What are transfer payments ? Give examples.
32. What are the components of a budget?
33. Write, in brief, about GST.
34. What do you understand by store of value of money?
35. Explain the types of inflation.
36. What are the advantages of diagrams?
37. What is the Geometric Mean of two numbers, 4 and 16 ?

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SYLLABUS

(w.e.f. 2019-20)

ECONOMICS - I

Introductory Economic Theory

Unit – 1 : Introduction to Economics

- 1.1 Definitions of Economics
- 1.2 Fundamental Problems of an Economy
- 1.3 Nature and Scope of Economics
- 1.4 Micro and Macroeconomics
- 1.5 Basic Concepts of Economics (Including Positive and Normative Economics)

Unit – 2 : Theories of Consumer Behaviour

- 2.1 Utility
- 2.2 Law of Diminishing Marginal Utility
- 2.3 Law of Equi-Marginal Utility
- 2.4 Shortcomings of Utility Analysis
- 2.5 Indifference Curve Analysis : Features of Indifference Curves - Budget Line - Consumer's Equilibrium with the help of Indifference Curve Analysis

Unit – 3 : Demand Analysis

Part-A: Theory of Demand :

- 3.1 Meaning of Demand
- 3.2 Demand Function
- 3.3 Determinants of Demand
- 3.4 Types of Demand
- 3.5 Price Demand - Law of Demand
- 3.6 Income Demand
- 3.7 Cross Demand

Part-B: Elasticity of Demand :

- 3.8 Elasticity of Demand
- 3.9 Price Elasticity of Demand
- 3.10 Income Elasticity of Demand
- 3.11 Cross Elasticity of Demand

Unit – 4 : Production Analysis

- 4.1 Concept of Production and Factors of Production
- 4.2 Production Function
- 4.3 Law of Variable Proportions
- 4.4 Laws of Returns to Scale
- 4.5 Economies of Scale
- 4.6 Supply and Law of Supply
- 4.7 Cost Analysis
- 4.8 Revenue Analysis

Unit – 5 : Market Analysis

- 5.1 Markets: Meaning and Classification
- 5.2 Perfect Competition: Meaning, Characteristics and Price Determination
- 5.3 Monopoly: Meaning, Characteristics and Price Determination
- 5.4 Comparison between Perfect Competition and Monopoly
- 5.5 Monopolistic Competition, Oligopoly and Duopoly: Meaning and Characteristics

Unit – 6 : Theories of Distribution

- 6.1 Distribution of Income
- 6.2 Marginal Productivity Theory of Distribution
- 6.3 Concept of Rent and Ricardian Theory of Rent
- 6.4 Concepts of Wages, Interest and Profits

Unit – 7 : National Income Analysis

- 7.1 Definitions of National Income
- 7.2 Determining Factors of National Income
- 7.3 Concepts of National Income
- 7.4 Components of National Income
- 7.5 Measurement of National Income : Methods, Difficulties and Importance
- 7.6 Estimation of National Income in India

Unit – 8 : Theories of Employment and Public Finance

- 8.1 Classical Theory of Employment
- 8.2 Keynesian Theory of Income and Employment
- 8.3 Public Finance: Public Revenue, Public Expenditure and Public Debt
- 8.4 Centre - State Financial Relations
- 8.5 Budget

Unit – 9 : Money, Banking and Inflation

Part-A: Money :

- 9.1 Money: Concept, Evolution and Types
- 9.2 Functions of Money
- 9.3 Components of Money Supply

Part-B: Banking :

- 9.4 Banking: Commercial Banks
- 9.5 Central Bank or Reserve Bank of India : Objectives and Functions

Part-C: Inflation :

- 9.6 Inflation: Definitions and Types
- 9.7 Causes and Effects of Inflation

Unit – 10 : Basic Statistics for Economics

- 10.1 Concept of Statistics
- 10.2 Nature, Scope and Importance of Statistics for the Study of Economics
- 10.3 Collection of Data
- 10.4 Diagrammatic Presentation of Data
- 10.5 Measures of Central Tendency.