

Ts12Eco

Tenkasi District  
Common First Mid Term Test - 2023



08-08-2023

**Standard 12**  
**ECONOMICS**

Time: 1.30 Hrs.

Marks: 45

**PART - A****Choose the correct answer:****10×1=10**

- 1) Indicate the contribution of J.M. Kenes to Economics.
  - a) Wealth of Nations
  - b) General theory
  - c) Capital
  - d) Public finance
- 2) Identify the sectors of a Two sector model.
  - a) Private and Public
  - b) Firms and Government
  - c) Internal and External
  - d) Households and Firms
- 3) Expenditure method is used estimate national income in \_\_\_\_\_.
  - a) Banking sector
  - b) Service sector
  - c) Agriculture sector
  - d) Construction sector
- 4) PQLI is the indicator of \_\_\_\_\_.
  - a) Economic growth
  - b) Economic welfare
  - c) Economic progress
  - d) Economic development
- 5) Keynes attributes unemployment to a lack of
  - a) Effective supply
  - b) Effective demand
  - c) Both a and b
  - d) None of the above
- 6) According to classical theory rate of interest is a reward for \_\_\_\_\_.
  - a) Investment
  - b) Demand
  - c) Capital
  - d) Saving
- 7) If the Keynesian Consumption function is  $C = 10 + 0.8y$ , then disposable income is ₹ 100, what is average propensity to consume?
  - a) ₹ 0.8
  - b) ₹ 800
  - c) ₹ 810
  - d) ₹ 0.9
- 8) The term MEC was introduced by
  - a) Adam Smith
  - b) J.M. Keynes
  - c) Ricardo
  - d) Malthus
- 9) During Inflation who are the gainers?
  - a) Debtors
  - b) Creditors
  - c) Wage and Salary earners
  - d) Government
- 10) V in  $MV = PT$ , equation stands for
  - a) Volume of trade
  - b) Velocity of circulation of money
  - c) Volume of transaction
  - d) Volume of bank and credit money

**PART - B****Answer ANY 4 questions. Question No. 16 is compulsory:****4×2=8**

- 11) What do you mean by Capitalism?
- 12) What is the difference between NNP and NDP?

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- 13) What is effective demand?
- 14) Define Marginal Propensity to Consume (MPC)?
- 15) What is Plastic Money? Give example.
- 16) Mention the kinds of Multiplier.

**PART - C**

**Answer ANY 4 questions. Question No. 22 is compulsory:**

**4×3=12**

- 17) Briefly explain Two sector circular flow model.
- 18) List out the uses of National Income.
- 19) Explain Keyne's theory in the form of flow chart.
- 20) Differentiate Autonomous and Induced Investment.
- 21) What are the determinants of money supply?
- 22) Write a short note on Currency symbol.

**PART - D**

**Answer all of the questions:**

**3×5=15**

- 23) a) Discuss the scope of Macro Economics.  
(OR)  
b) What are the difficulties involved in the measurement of national Income?
  - 24) a) Narrate the equilibrium between ADF and ASF with diagram.  
(OR)  
b) What are the differences between MEC and MEI?
  - 25) a) Describe the phases of Trade cycle.  
(OR)  
b) Explain the importance of national Income.
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