

12

Register No

Time : 3.00 Hrs.

Second Revision Examination - 2024

ECONOMICS

Marks : 90

PART - A

20x1=20

I. Choose the correct answer.

1. A steady increase in general price level is termed as _____
a) Wholesale price index b) Business Cycle c) Inflation d) National Income
2. The country following Capitalism is _____ a) Russia b) America c) India d) China
3. The circular Flow Model that represents an open economy.
a) Two Sector Model b) Three Sector Model c) Four Sector Model d) All the above
4. $GNP = \text{_____} + \text{Net factor income from aboard.}$ a) NNP b) NDP c) GDP d) Personal income
5. _____ is deducted from gross value to get the net value.
a) Income b) Depreciation c) Expenditure d) Value of final goods
6. The basic concept used in Keynes Theory of Employment and Income is _____
a) Aggregate demand b) Aggregate supply c) Effective demand
d) Marginal Propensity Consume
7. The multiplier is calculated as a) $1/(1-MPC)$ b) $1/MPS$ c) $1/MPC$ d) a and b
8. During depression the level of economic activity becomes extremely
a) high b) bad c) low d) good
9. Online Banking is also known as a) E-banking b) Internet Banking c) RTGS d) NEFT
10. BOP includes a) visible items only b) invisible items only c) both visible and invisible items
d) merchandise trade only
11. The first ministerial meeting of WTO was held at
a) Singapore b) Geneva c) Seattle d) Doha
12. The primary purpose of deficit financing is
a) Economic development b) Economic stability c) Economic equality
d) Employment generation
13. In the regression equation $Y = \beta_0 + \beta_1 X$, the Y is called:
a) Independent variable b) Dependent variable c) Continuous variable d) none of the above
14. Which of the following is responsible for protecting humans from harmful ultraviolet rays?
a) UV-A b) UV-C c) Ozone layer d) None of the above
15. Perspective plan is also known as _____
a) Short-term plan b) Medium-term plan c) Long-term plan d) None of the above
16. In the regression equation $Y = \beta_0 + \beta_1 X$, the X is called:
a) Independent variable b) Dependent variable c) Continuous variable d) none of the above
17. The value of national income adjusted for inflation is called _____
a) Inflation Rate b) Disposal Income c) GNP d) Real national income
18. In Keynes theory, the demand for and supply of money are determined by _____
a) Rate of Interest b) Effective demand c) Aggregate demand d) Aggregate supply
19. If the MPC is 0.5, the multiplier is _____
a) 2 b) $\frac{1}{2}$ c) 0.2 d) 20
20. _____ inflation is in no way dangerous to the economy.

- a) walking b) running c) creeping d) galloping

PART - B

II. Answer any seven of the following questions. Q. No. 30 is compulsory.

7x2=14

21. 'Circular Flow of Income' – Define.
22. Why is self consumption difficult in measuring national income?
23. What are the components of aggregate supply?
24. What is consumption function?
25. What is Stagflation?
26. Define Commercial banks.
27. What is meant by Exchange Rate?
28. What is Free trade area?
29. What is Econometrics?
30. Define Global warming.

PART - C

III. Answer any seven of the following questions. Q. No. 40 is compulsory.

7x3=21

31. Outline the major merits of capitalism.
32. Differentiate between personal and disposable income.
33. What do you mean by aggregate demand? Mention its components.
34. Explain any three subjective and objective factors influencing the consumption function.
35. Explain Demand-pull and Cost push inflation.
36. Specify the functions of IFCI.
37. What are the functions of a modern state?
38. State the meaning of e-waste.
39. What are the functions of NITI Aayog?
40. What is primary deficit?

PART - D

IV. Answer all the question.

7x5=25

41. a) Compare the features of capitalism and socialism. (OR)
b) Explain the difference between classical theory and Keynes theory.
 42. a) Discuss the various methods of estimating the national income of a country. (OR)
b) What are the differences between MEC and MEI.
 43. a) Describe the phases of Trade cycle. (OR)
b) Explain the role of Commercial Banks in economic development.
 44. a) How the Rate of Exchange is determined? Illustrate. (OR)
b) Explain the scope of public finance.
 45. a) Bring out the functions of World Bank. (OR)
b) Explain the importance of sustainable development and its goals.
 46. a) Bring out the arguments against planning. (OR)
b) Calculate the Karl Pearson Correlation Co-efficient for the following data.
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|---------------------|----|----|----|----|----|----|----|----|----|----|
| Demand of Product X | 23 | 27 | 28 | 29 | 30 | 31 | 33 | 35 | 36 | 39 |
| Sale of product Y | 18 | 22 | 23 | 24 | 25 | 26 | 28 | 29 | 30 | 32 |
47. a) Describe the functions of Reserve Bank of India. (OR)
b) Describe the various types of deficits in budget.