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ECONOMICS

GRADE: XII   **TEST NO.4**   **MARKS: 50**

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I CHOOSE THE CORRECT ANSWER   30 X 1 = 30

1. Indicate the contribution of J M Keynes to economics.
    a) Wealth of Nations   b) General Theory   c) Capital   d) Public Finance
2. Per capita income is obtained by dividing the National income by …………
    a) Production   b) Population of a country c) Expenditure   d) GNP
3. GNP = ………. + Net factor income from abroad.
    a) NNP   b) NDP   c) GDP   d) Personal income
4. Flexibility brings equality between saving and investment.
    a) Demand   b) Supply   c) Capital   d) Interest
5. Theory is a turning point in the development of modern economic theory.
    a) Keynes   b) Say's   c) Classical   d) Employment
6. The multiplier tells us how much ---------- changes after a shift in -----
    a) Consumption, income b) investment, output c) savings, investment d) output, aggregate demand
7. When investment is assumed autonomous the slope of the AD schedule is determined by the
    a) marginal propensity to invest   b) disposable income
    c) marginal propensity to consume   d) average propensity to consume
8. Irving Fisher's Quantity Theory of Money was popularized in
    a) 1908   b) 1910   c) 1911   d) 1914.
9. MV stands for
    a) demand for money b) supply of legal tender money c) Supply of bank money d) Total supply of money
10. The data collected by questionnaires are_____.
    (a) Primary data.   (b) Secondary data.   (c) Published data.   (d) Grouped data.
11. A measure of the strength of the linear relationship that exists between two variables is called:
    (a) Slope   (b) Intercept   (c) Correlation coefficient   (d) Regression equation
12. If both variables X and Y increase or decrease simultaneously, then the coefficient of correlation will be:
    (a) Positive   (b) Negative   (c) Zero   (d) One
13. M.N. Roy was associated with --------- ------------
    a) Congress Plan   b) People's Plan   c) Bombay Plan   d) None of the above
14. Which of the following country adopts indicative planning?
    a) France   b) Germany   c) Italy   d) Russia
15. Planning Commission was set up in the year --------------
    a) 1950   b) 1951   c) 1947   d) 1948   e) Gandhian Plan
16. Which of the following is the anticipated effect of Global warming?
    a. Rising sea levels   b. Changing precipitation   c. Expansion of deserts   d. All of the above
17. The process of nutrient enrichment is termed as
    a. Eutrophication   b. Limiting nutrients   c. Enrichment   d. Schistosomiasis
18. Primary cause of Soil pollution is -----------------
    a. Pest control measures   b. Land reclamation c. Agricultural runoff   d. Chemical fertilizer
19. Which of the following is a direct tax?
    a) Excise duty   b) Income tax   c) Customs duty   d) Service tax
20. Which of the following is **not** a tax under Union list?
    a) Personal Income Tax   b) Corporation Tax   c) Agricultural Income Tax d) Excise duty
21. The difference between revenue expenditure and revenue receipts is
    a) Revenue deficit   b. Fiscal deficit   c. Budget deficit   d. Primary deficit
22. Which of the following is not the member of SAARC?
    a) Pakistan   b) Sri Lanka   c) Bhutan   d) China

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23. SAARC meets once in ----------- years.
   a) 2   b) 3   c) 4   d) 5
25. New Development Bank is associated with
   a) BRICS   b) WTO   c) SAARC   d) ASEAN
26. Exchange rate for currencies is determined by supply and demand under the system of
   a) Fixed exchange rate   b) Flexible exchange rate   c) Constant   d) Government regulated
27. Net export equals ……
   a) Export x Import   b) Export + Import   c) Export – Import   d) Exports of services only
28. Terms of Trade of a country show ……………
   a) Ratio of goods exported and imported   b) Ratio of import duties
   c) Ratio of prices of exports and imports   d) Both (a) and (c)
29. Econometrics is the integration of
   (a)Economics and Statistics   (b) Economics and Mathematics
   (c) Economics, Mathematics and Statistics   (d) None of the above
30. The raw materials of Econometrics are:
   (a) Data   (b) Goods   (c) Statistics   (d) Mathematics

II ANSWER THE FOLLOWING   10 X 2 = 20

31. State any two merits of trade.
32. Define international trade.
33. Define Terms of Trade.
34. What do you mean by balance of payments?
35. What is International Economics.
36. Mention any two objectives of ASEAN.
37. Define Common Market.
38. What is Free trade area?
39. When and where was SAARC secretariat established?
40. Point out any two ways in which IBRD lends to member countries.

"There is no substitute for hard work."
ALL THE BEST

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