

SILVER JUBILEE MATRICULATION HR. SEC. SCHOOL, MAYILADUTHURAI
STD : XII E **ECONOMICS (1 - 9)** **MARKS: 90**

- 1. Which one of the following deficits does not consider borrowing as a receipt?**
 - a) Revenue deficit
 - b) Budgetary deficit
 - c) Fiscal deficit
 - d) Primary deficit
- 2. ASEAN was created in**
 - a) 1965
 - b) 1967
 - c) 1972
 - d) 1997
- 3. Which of the following factors influence trade?**
 - a) The stage of development of a product
 - b) The relative price of factors of productions.
 - c) Government.
 - d) All of the above
- 4. BOP includes**
 - a) visible items only
 - b) invisible items only
 - c) both visible and invisible items
 - d) merchandise trade only
- 5. Bank Rate means.**
 - a) Re-discounting the first class securities
 - b) Interest rate
 - c) Exchange rate
 - d) Growth rate
- 6. 2016 Demonetization of currency includes denominations of**
 - a) Rs.500 and Rs.1000
 - b) Rs.1000 and Rs.2000
 - c) Rs.200 and Rs.500
 - d) All the above
- 7. The study of alternating fluctuations in business activity is referred to in Economics as**
 - a) Boom
 - b) Recession
 - c) Recovery
 - d) Trade cycle
- 8. Stagflation combines the rate of inflation with**
 - a) Stagnation
 - b) employment
 - c) output
 - d) price
- 9. As national income increases**
 - a) The APC falls and gets nearer in value to the MPC.
 - b) The APC increases and diverges in value from the MPC.
 - c) The APC stays constant
 - d) The APC always approaches infinity
- 10. The sum of the MPC and MPS is ____**
 - a) 1
 - b) 2
 - c) 0.1
 - d) 1.1
- 11. The main contention of the Classical Economic Theory is**
 - a) Under employment
 - b) Economy is always in the state of equilibrium
 - c) Demand creates its supply
 - d) Imperfect competition
- 12. Say's law stressed the operation of in the economy.**
 - a) Induced price mechanism
 - b) Automatic price mechanism
 - c) Induced demand
 - d) Induced investment
- 13. Classical theory advocates**
 - a) Balanced budget
 - b) Unbalanced budget
 - c) Surplus budget
 - d) Deficit budget
- 14. The financial year in India is**
 - a) April 1 to March 31
 - b) March 1 to April 30
 - c) March 1 to March 16
 - d) January 1 to December 31
- 15. The value of national income adjusted for inflation is called**
 - a) Inflation Rate
 - b) Disposal Income
 - c) GNP
 - d) Real national income
- 16. Identify the flow variable.**
 - a) money supply
 - b) assets
 - c) income
 - d) foreign exchange reserves
- 17. The tax possesses the following characteristics**
 - a) Compulsory
 - b) No quid pro quo
 - c) Failure to pay is offence
 - d) All the above
- 18. The organization which provides long term loan is**
 - a) World Bank
 - b) International Monetary Fund
 - c) World Trade Organisation
 - d) BRICS

19. If there is an imbalance in the trade balance (more imports than exports), it can be reduced by

- a) decreasing customs duties
 b) increasing export duties
 c) stimulating exports
 d) stimulating imports

20. NABARD was set up in.

- a) July 1962
 b) July 1972
 c) July 1982
 d) July 1992

**II. ANSWER ANY 7 OF THE FOLLOWING
 (COMPULSORY Q.NO.30)**

7X2=14

21. What is meant by an 'Economy'?
 22. What is commodity money?
 23. Define Commercial banks
 24. Define international trade
 25. Define Common Market.
 26. Differentiate tax and fee
 27. What do you mean by the term 'Personal Income'?
 28. Define full employment
 29. What is rationing of credit?

30. Define Accelerator

**III. ANSWER ANY 7 OF THE FOLLOWING
 (COMPULSORY Q.NO.40)**

7X3=21

31. Enumerate the features of mixed economy
 32. Give short note on Expenditure method.
 33. Write any five differences between classism and Keynesianism.
 34. State the propositions of Keynes's Psychological Law of Consumption
 35. Explain the Net Barter Terms of Trade and Gross Barter Terms of Trade.
 36. Write the agenda of BRICS Summit, 2018
 37. What are the determinants of money supply?
 38. Give a brief note on NBFI
 39. Describe the subject matter of International Economics.

40. Mention any three lending programmes of IMF

IV. ANSWER IN DETAIL

7X5=35

41. a) Discuss the scope of Macro Economics
 (OR)
 b) Discuss the importance of social accounting in economic analysis.
42. a) Narrate the equilibrium between ADF and ASF with diagram.
 (OR)
 b) Explain the operation of the Accelerator.
43. a) Illustrate Fisher's Quantity theory of money
 (OR)
 b) What are the objectives of Monetary Policy? Explain
44. a) Explain the types of Terms of Trade given by Viner.
 (OR)
 b) Discuss the role of WTO in India's socio economic development.
45. a) Explain the principles of federal finance.
 (OR)
 b) Bring out the merits of indirect taxes over direct taxes.
46. a) Explain the objectives of IMF.
 (OR)
 b) Explain the scope of public finance
47. a) Discuss the differences between Internal Trade and International Trade.
 (OR)
 b) What are the reasons for the recent growth in public expenditure?
