VGR COACHING CENTER
CLASS 12TH ECONOMICS
CHAPTER 4,5,6,7,8

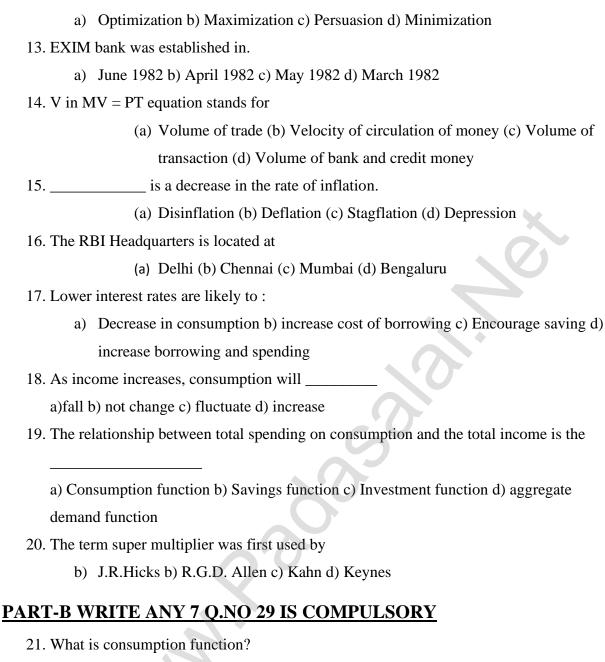
MARK-90

CHOOSE THE CORRECT ANSWER

$\underline{PART-A\ 20\times1=20}$

1.	The sum of the MPC and MPS is
	a)1 b) 2 c) 0.1 d) 1.1

- 2. According to Keynes, investment is a function of the MEC and _____
 - a) Demand b) Supply c) Income d) Rate of interest
- 3. The term MEC was introduced by
 - a) Adam Smith b) J.M. Keynes c) Ricardo d) Malthus
- 4. As increase in consumption at any given level of income is likely to lead
 - a) Higher aggregate demand b) An increase in exports c)A fall in taxation revenue d) A decrease in import spending Inflation mean
- 5. Irving Fisher's Quantity Theory of Money was popularized in
 - (a) 1908 (b) 1910 (c) 1911 (d) 1914.
- 6. When prices rise slowly, we call it
 - (a) galloping inflation (b) mild inflation (c) hyper inflation (d) deflation
- 7. Bank credit refers to
 - a) Bank Loans b) Advances c) Bank loans and advances d) Borrowings
- 8. Bank Rate means.
 - a) Re-discounting the first class securities b) Interest rate c) Exchange rate d)
 Growth rate
- 9. ARDC started functioning from
 - a) June 3, 1963 b) July 3, 1963 c) June 1, 1963 d) July 1, 1963
- 10. Online Banking is also known as.
 - a) E-Banking b) Internet Banking c) RTGS d) NEFT
- 11. NBFI does not have.
 - a) Banking license b) government approval c) Money market approval d)
 Finance ministry approval
- 12. Moral suasion refers.



- 22. What do you mean by propensity to consume?
- 23. What is plastic money? Give example.
- 24. What is Stagflation?
- 25. What is credit creation?
- 26. Distinguish between CRR and SLR.
- 27. Define Terms of Trade.
- 28. What is meant by Exchange Rate?
- 29. Write the meaning of Special Drawing rights.
- 30. Mention any two objectives of ASEAN.

PART-C WRITE ANY 7 Q.NO 40 IS COMPULSORY

- 31. State the propositions of Keynes's Psychological Law of Consumption
- 32. Differentiate autonomous and induced investment.
- 33. What are the determinants of money supply?
- 34. State Cambridge equations of value of money.
- 35. What are the functions of NABARD?
- 36. Specify the functions of IFCI.
- 37. Distinguish between Balance of Trade and Balance of Payments.
- 38. State the objectives of Foreign Direct Investment.
- 39. Mention any three lending programmes of IMF.
- 40. State briefly the functions of SAARC

PART-D WRITE ALL QUESTION

41. Briefly explain the subjective and objective factors of consumption function? (OR)

Illustrate the working of Multiplier.

42. What are the differences between MEC and MEI

(OR)

Illustrate Fisher's Quantity theory of money.

43. Describe the phases of Trade cycle.

(OR)

Elucidate the functions of Commercial Banks.

44. Describe the functions of Reserve Bank of India.

(OR)

Bring out the components of balance of payments account.

45. Discuss the various types of disequilibrium in the balance of payments.

(OR)

Discuss the differences between Internal Trade and International Trade.

46. Explain the objectives of IMF.

(OR)

How the Rate of Exchange is determined? Illustrate

47. Bring out the functions of World Bank.

(OR)

Explain the relationship between Foreign Direct Investment and economic development

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