

## QUARTERLY EXAMINATION - 2024

12 - STD

ECONOMICS

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Time : 3.00 Hrs

Marks : 90

**I - Answer all the questions.**

20 X 1 = 20

1. The branches of the subject economics are .....  
 a) wealth and welfare b) production and consumption  
 c) demand and supply d) micro and macro
2. Identify the necessity of economics policies  
 a) to solve the basic problems b) to overcome the obstacles  
 c) to achieve growth d) all the above
3. Quantity of a commodity measured at a point of time is termed as .....  
 a) production b) stock c) variable d) flow
4. National income is a measure of the ..... performance of an economy.  
 a) industrial b) agriculture c) economic d) consumption
5. The average income of the country is .....  
 a) personal income b) percapita income c) inflation rate d) disposal income
6. GNP = .....+ Net factor income from abroad.  
 a) NNP b) NDP c) GDP d) personal income
7. 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
8. Structural unemployment is a feature in a .....  
 a) static society b) socialist society c) dynamic society d) mixed economy
9. The main concern of the classical economic theory is .....  
 a) under employment b) economy is always in the state of equilibrium  
 c) demand creates it's supply d) imperfect competition
10. 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
11. In an open economy import ..... the value of the multiplier.  
 a) reduces b) increase c) does not change d) changes
12. When investment is assumed autonomous the slope of the AD schedule is determined by the .....  
 a) marginal propensity to invest b) disposal income  
 c) marginal propensity to consume d) average propensity to consume
13. "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
14. The study of alternating fluctuations in business activity is referred to in economics as .....  
 a) Boom b) Recession c) Recovery d) Trade cycle
15. The functions of commercial banks are broadly classified into .....  
 a) primary functions b) secondary functions  
 c) other functions d) a, b and c
16. Online banking is also known as .....  
 a) E - banking b) internet banking c) RTGS d) NEFT

17. 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
18. 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
19. International monetary fund was an outcome of ..... .      a) Pandung Conference  
b) Dunkel Draft      c) Bretton Woods Conference      d) Doha Conference
20. The term BRIC was coined in ..... .  
a) 2001      b) 2005      c) 2008      d) 2010

**II i) Answer any seven questions. ii) Question number 30 is compulsory.**

21. Classify the economics based on the status of development.      7 X 2 = 14
22. Define National income.
23. Define full employment.
24. What are the components of aggregate supply?
25. What do you mean by propensity to consume?
26. Define money.
27. Define central bank.
28. Define international trade.
29. Write the meaning of special drawing rights.
30. Define inflation.

**III i) Answer any seven question. ii) Question number 40 is compulsory.**

31. State the importance of macro economics.      7 X 3 = 21
32. Distinguish between capitalism and socialism.
33. List out the uses of national income.
34. Write any five differences between classicism and Keynesianism
35. Mention the differences between accelerator and multiplier effect.
36. Explain demand pull and cost push inflation.
37. Distinguish between money market and capital market.
38. Describe the subject matter of international economics.
39. Mention the various forms of economic integration.
40. Write a short note on per capita income.

**IV Answer in detail.**

7 X 5 = 35

41. a) Illustrate the functioning of an economy based on its activities. **(OR)**  
b) Discuss the various methods of estimating the national income of a country.
42. a) What are the difficulties involved in the measurements of national income? **(OR)**  
b) Critically explain Say's law of market.
43. a) Describe the types of unemployment. **(OR)**  
b) Briefly explain the subjective and objective factors of consumption function.
44. a) What are the differences between MEC and MEI. **(OR)**  
b) Illustrate Fisher's quantity theory of money.
45. a) What are the objectives of monetary policy? Explain. **(OR)**  
b) Explain the role of commercial banks in economic development.
46. a) Explain the types of terms of trade given by Viner. **(OR)**  
b) Discuss the various types of disequilibrium in the balance of payments.
47. a) Explain the objectives of IMF. **(OR)**      b) Bring out the functions of world bank.