

Class : 12

Register  
Number**FIRST REVISION EXAMINATION, JANUARY - 2025**

Time Allowed : 3.00 Hours]

**ECONOMICS**

[Max. Marks : 90

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Instructions : (1) Check the question paper for fairness of printing. If there is any lack of fairness, inform the Hall Supervisor immediately.

(2) Use Blue or Black ink to write and underline and pencil to draw diagrams  
PART - I

Note : Answer all the questions:

20x1=20

1. Choose the most suitable answer from the given four alternatives and write the option code and corresponding answer.

1. Who coined the word 'Macro'?  
a) Adam smith                      b) J M Keynes                      c) Ragnar Frisch                      d) Karl Marx
2. 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
3. National income is a measure of the \_\_\_\_\_ performance of an economy.  
a) Industrial                      b) Agriculture                      c) Economic                      d) Consumption
4. The average income of the country is \_\_\_\_\_  
a) Personal Income                      b) per capital income                      c) Inflation rate                      d) Disposal income
5. Structural unemployment is a feature in a  
a) Static society                      b) Socialist society                      c) Dynamic society                      d) Mixed economy
6. The term super multiplier was first used by  
a) J.R. Hicks                      b) R.G.D.Allen                      c) Kahn                      d) Keynes
7. Stagflation combines the rate on inflation with  
a) Stagnation                      b) Employment                      c) Output                      d) Price
8. During depression the level of economic activity becomes extremely  
a) High                      b) Bad                      c) Low                      d) Good
9. The state Financial Corporation act was passed by  
a) Government of India                      b) Government of Tamilnadu  
c) Government of Union Territories                      d) Local Government
10. Terms of Trade of a country show \_\_\_\_\_  
a) Ratio of goods exported and imports                      b) Ratio of import duties  
c) Ratio of prices of exports and imports                      d) Both (a) and (c)
11. Which of the following is not an example of foreign direct investment?  
a) The construction of a new auto assembly plant overseas  
b) The acquisition of an existing steel mill overseas  
c) The purchase of bonds or stock issued by textile company overseas  
d) The creation of a wholly owned business firm overseas
12. IBRD is otherwise called  
a) IMF                      b) World bank                      c) ASEAN                      d) International Finance Corporation
13. BENELUX is a form of  
a) Free trade area                      b) Economic Union                      c) Common market                      d) Customs union
14. The world budget has been derived from the French word "bougette" which means  
a) A small bag                      b) An empty box  
c) A box with papers                      d) None of the above
15. Who developed material balance models?  
a) Thomas and picardy                      b) Alenkneese and R.V. Ayres  
c) Joan Robinson and J.M. Keynes                      d) Joseph stiglitz and Edward chamberlin
16. Sustainable development goals and targets are to be achieved by \_\_\_\_\_  
a) 2020                      b) 2025                      c) 2030                      d) 2050
17. Which of the following country adopts indicative planning?  
a) France                      b) germany                      c) Italy                      d) Russia
18. NITI Aayog is formed through \_\_\_\_\_  
a) presidential ordinance                      b) Allocation of business rules by President of India  
c) Cabinet resolution                      d) None of the above



19. A measure of the strength of the linear relationship that exists between two variables is called.
- Slope
  - Intercept
  - Correlation coefficient
  - Regression equation
20. Econometrics is the intergration of
- Economics and statistics
  - Economics and mathematics
  - Economics, Mathematics and statistics
  - None of the above

**PART - II**

**II. Note : Answer any seven questions. Question number 30 is compulsory.**

**7x2=14**

- Define the term "inflation".
- Define National Income.
- Define Money.
- Define Commercial Banks.
- What is the main difference between Adam Smith and Ricardo with regard to the emergence of foreign trade?
- Mention any two objectives of ASEAN.
- Write a short note on zero based budget.
- Distinguish between economic growth and development
- Define Regression.
- Define unemployment.

**PART - III**

**III. Note : Answer any seven questions. Question No. 40 is compulsory.**

**7x3=21**

- Indicate the demerits of socialism.
- Differentiate between personal and disposable income.
- Explain Keynes' theory in the form of flow chart.
- What are the uses of Multiplier?
- What are the functions of NABARD?
- Compare the classical theory of international trade with modern theory of international trade.
- What are trade blocks?
- What are the functions of a modern state.
- Trace the evolution of economic planning in India.
- Specify the objectives of econometrics.

**PART - IV**

**IV. Note : Answer all the questions.** [akwaacademy.blogspot.com](http://akwaacademy.blogspot.com)

**7x5=35**

41. (a) Illustrate the functioning of an economy based on its activities.

(OR)

- (b) Find the regression equation Y on X and X on Y for the following data.

X :	45	48	50	55	65	70	75	72	80	85
Y :	25	30	35	30	40	50	45	55	60	65

42. (a) What are the difficulties involved in the measurement of National Income?

(OR)

- (b) Explain the principles of federal finance.

43. (a) Explain the difference between classical theory and Keynes theory.

(OR)

- (b) Bring out the arguments against planning

44. (a) Briefly explain the subjective and objective factors of consumption function.

(OR)

- (b) Explain the concepts of externality and its classification

45. (a) What are the causes and effects of inflation on the economy?

(OR)

- (b) How the Rate of Exchange is determined? Illustrate.

46. (a) Elucidate the functions of Commercial Banks.

(OR)

- (b) Write a note on (a) SAARC (b) BRICS

47. (a) Explain the operation of the Accelerator.

(OR)

- (b) Explain the types of Terms of Trade given by Viner.