

**ECONOMICS**

**CLASS – XII**

**MARKS – 90**

**DURATION – 3 HRS**

**PART – I**

**CHOOSE THE BEST ANSWER**

**[20 X 1 = 20]**

1. An economy consists of \_\_\_\_\_ sector  
A. consumption      B. production      C. government      D. all the above
2. The circular flow of model that represents an open Economy \_\_\_\_\_  
A. two sector model      B. three sector mode      C. four Sector model      D. all the above
3. \_\_\_\_\_ is deducted from gross value to get net value  
A. income      B. depreciation      C. expenditure      D. value of final goods
4. PQLI is an indicator of \_\_\_\_\_  
A. economic growth      B. economic welfare      C. economics process      D. economic development
5. Keynes attributes unemployment as \_\_\_\_\_  
A. lack of effective supply      B. a lack of effective demand      C. lack of both      D. none
6. Say's law stressed the operation of \_\_\_\_\_ in an economy  
A. induced price mechanism      B. automatic price mechanism  
C. induced demand      D. induced investment
7. According to Keynes, investment is a function of MEC and \_\_\_\_\_  
A. demand      B. supply      C. income      D. none of the above
8. The term MEC was introduced by \_\_\_\_\_  
A. Adam Smith      B. JM Keynes      C. Ricardo      D. Malthus
9. Decrease in the rate of inflation is \_\_\_\_\_  
A. inflation      B. deflation      C. stagflation      D. depreciation
10. Fisher's quantity theory of money is based on the essential functions of money as \_\_\_\_\_  
A. a measure of value      B. store of value  
C. medium of exchange      D. standard of deferred payment
11. NBFI does not have \_\_\_\_\_  
A. banking licence      B. government approval      C. money market approval      D. Finance ministry approval

12. Monetary policy was formulated by \_\_\_\_\_  
 A. Cooperative Bank    B. commercial bank    C. Central Bank    D. foreign bank
13. Modern theory of International Trade is \_\_\_\_\_  
 A. absolute cost    B. comparative cost    C. factor endowment    D. None
14. Components of balance of payment of country includes \_\_\_\_\_ account  
 A. current    B. official    C. capital    D. all the above
15. IBRD is otherwise called as \_\_\_\_\_  
 A. IMF    B. World Bank    C. ASEAN    D. IFC
16. The headquarter of ASEAN is at \_\_\_\_\_  
 A. Jakarta    B. New Delhi    C. Colombo    D. Tokyo
17. The 10th BRICS summit was held in July at \_\_\_\_\_  
 A. Beijing    B. Moscow    C. Johannesburg    D. Brasilia
18. The BRICS countries have combined foreign reserve estimate \_\_\_\_\_ trillion  
 A. \$4.4    B. \$2.4    C. \$3.4    D. \$5.4
19. Bank note has amount written in \_\_\_\_\_ languages  
 A. 14    B. 16    C. 13    D. 17
20. India is the \_\_\_\_\_ country to accept unique currency symbol

**PART – II**

**ANSWER ANY 7 – QUESTION NO. 30 IS COMPULSORY**

**[7 X 2 = 14]**

21. What is meant by economy ?
22. What do you mean by the term personal income ?
23. Define full employment.
24. What is consumption function ?
25. Define money.
26. What is credit creation ?
27. State into two merits of trade
28. Write the meaning of special drawing rights
29. Specify any two affiliates of World Bank Group.

**30. Define monetary policy**

**PART – iii**

**ANSWER ANY 7 – QUESTION NO. 40 IS COMPULSORY**

**[7 X 3 = 21]**

31. Describe the different types of economic system
32. Write a short note on per capita income
33. Explain the following in short seasonal unemployment frictional unemployment educated unemployment
34. Differentiate autonomous and induced investment
35. What is money supply ?
36. Bring out the methods of credit control
37. What are the functions of NABARD ?
38. Describe the subject matter of international economics
39. State briefly the functions of SAARC
- 40. Write objectives of World Bank**

**PART – IV**

**ANSWER ALL THE QUESTIONS**

**[ 7 X 5 = 35 ]**

41. (A) Compare and contrast the feature among capitalism socialism mixedism or  
(B) Discuss the difference between international trade and internal trade
42. (A) Explain importance of national income or  
(B) Explain the operation of accelerator
43. (A) Describe the types of Unemployment or  
(B) Explain the functions of money
- 44 (A) Describe the phase of trade cycle or  
(B) Discuss the scope of macroeconomics critical expenses
45. (A) Explain say's law of market or  
(B) Explain briefly the comparative cost theory
46. (A) Bring out the functions of World Bank or  
(B) Explain the role of commercial banks in economic development
- 47 (A) Describe the functions of Reserve Bank of India or  
(B) Write a note on (A) SAARC (B) BRICS