

Thanjavur District.

COMMON QUARTERLY EXAMINATION - SEPTEMBER 2019

A. VENNILA  
KUMBALCOMAM

Standard - 12

Reg. No. 

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PART - III - ECONOMICS

Time Allowed: 2.30 Hours

Maximum Marks: 90

- 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:**
- i) Answer all the questions. 20x1=20
  - ii) Choose the most appropriate answer from the given four alternatives and write the option code and the corresponding answer.

- 1) Who coined the word "Macro"?  
a) Adam Smith    b) J.M. Keynes    **c) Ragnar Frisch**    d) Karl Marx
- 2) Identify the flow variable.  
a) Money supply    b) Assets    **c) Income**    d) Foreign Exchange reserves
- 3) National Income is measured by using \_\_\_\_\_ methods.  
a) Two    **b) Three**    c) Five    d) Four
- 4) The individuals income after the payment of income tax is known as \_\_\_\_\_.  
a) nominal income    **b) disposable income**  
c) real income    d) per capita income
- 5) Income method means \_\_\_\_\_.  
**a)  $y = w+r+i+\pi+(R-P)$**     b)  $y = w+i+r+\pi+R-P$   
c)  $y = w+r+\pi+i+R/P$     d)  $y = w+r+i+\pi+R \times P$
- 6) Aggregate demand equal to \_\_\_\_\_.  
a) C+I+G    **b) C+I+G+X-M**    c) C+S+T+X-M    d) C+S+T+Rf
- 7) In disguised un employment, the marginal productivity of labour is \_\_\_\_\_.  
**a) zero**    b) one    c) two    d) positive
- 8) According to classical theory, rate of interest is a reward for \_\_\_\_\_.  
a) Investment    b) Demand    c) Capital    **d) Saving**
- 9) As National Income increases  
**a) The APC falls and get nearer in value to the MPC**  
b) The APC increases and the 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) **Match it:**  
a) MPS - 1. C+S  
b) K - 2.  $\Delta I/\Delta C$   
c) Y - 3.  $\Delta S/\Delta Y$   
d)  $\beta$  - 4.  $\frac{1}{1-MPC}$   
a) 1 2 3 4    b) 2 1 4 3    **c) 3 4 1 2**    d) 1 4 3 2
- 12) The RBI Head Quarters is located at \_\_\_\_\_.  
a) Delhi    b) Chennai    **c) Mumbai**    d) Bengaluru
- 13) Inflation means \_\_\_\_\_.  
**a) Prices are rising**  
c) Value of money is increasing    b) Prices are falling  
d) Prices are remaining the same
- 14) Who will act as the banker to the Government of India?  
a) SBI    b) NABARD    c) ICICI    **d) RBI**
- 15) NABARD was set up in \_\_\_\_\_.  
a) July 1962    b) July 1972    **c) July 1982**    d) July 1992

- 16) 2016 Demonetization of currency includes denomination of  
 a) ₹ 500 and ₹ 1000  
 b) ₹ 1000 and ₹ 2000  
 c) ₹ 200 and ₹ 500  
 d) All the above
- 17) Exchange rates are determined in \_\_\_\_\_  
 a) Money market  
 b) Foreign exchange market  
 c) Stock market  
 d) Government regulated
- 18) Net export equal to \_\_\_\_\_  
 a) Export × Import  
 b) Export + Import  
 c) Export - Import  
 d) Export of services only
- 19) International Monetary fund is having its headquarters at \_\_\_\_\_  
 a) Washington D.C  
 b) Newyork  
 c) Vienna  
 d) Geneva
- 20) Which of the following countries is not member of SAARAC?  
 a) Pakistan  
 b) Srilanka  
 c) Bhutan  
 d) China

## PART - II

Answer any seven questions. Question Number 30 is compulsory.  $7 \times 2 = 14$

- 21) Define the term "Inflation". - L.1  
 22) Write the formula for calculating GNP. L.2  
 23) Give reasons for labour retrenchment at present situation. L.3  
 24) Define average propensity to consume. L.4  
 25) Define Money. - L.5  
 26) What is Plastic Money? Give example. L.5  
 27) What is Monetary Policy? L.6  
 28) What is devaluation? L.5  
 29) Define Common Market. L.8  
 30) Define Macro Economics. L.1

## PART - III

Answer any seven questions. Question Number 40 is compulsory.  $7 \times 3 = 21$

- 31) Describe the different types of Economic systems. L.1  
 32) What is the solution to the problem of double counting in the estimation of national income? L.2  
 33) What do you mean by Aggregate demand? Mention its components. L.3  
 34) What are the kinds of multiplier? L.4  
 35) Explain Demand - pull and Cost push inflation. L.5  
 36) What are the functions of NABARD? L.6  
 37) Describe the subject matter of international Economics. L.7  
 38) What are trade blocks? L.8  
 39) Write short note on the Implications of Say's Law. L.3  
 40) Write a short note on per capita Income. L.2

## PART - IV

Answer all the questions:

$7 \times 5 = 35$

- 41) a) Discuss the scope of Macro Economics. L.1 (OR)  
 b) Illustrate Fishers Quantity theory of money. L.5
- 42) a) Explain circular flow of income in a four sector economy. L.1 (OR)  
 b) Explain the Keynes psychological law of consumption function with diagram. L.4
- 43) a) Explain the basic concepts of national income. L.2 (OR)  
 b) Critically explain Say's law of market. L.3
- 44) a) Discuss the various methods of estimating the national income of a country. L.2 (OR)  
 b) What are the objectives of monetary policy? Explain. L.6
- 45) a) Narrate the equilibrium between ADF and ASF with diagram. (OR) L.3  
 b) Discuss the difference between Internal Trade and International Trade. L.7
- 46) a) Briefly explain the subjective and objective factors of consumption function. L.4 (OR)  
 b) Bring out the functions of World Bank. L.8
- 47) a) Discuss the phase of trade cycle. L.5 (OR)  
 b) Describe the functions of Reserve Bank of India. L.6

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