Bhavan's Tripura Vidyamandir
1ST Terminal Examination : (2024-2025)

Class:- 12 **Subject:- Economics**
Time:- 3 Hours Total :- 80 Marks

Name of the student: Roll: Stream:

General instructions –
  (i) 20 MCQs of 1 marks each.
  (ii) 4 Short Answer Questions of 3 marks each.
  (iii) 6 Short Answer Questions of 4 marks each.
  (iv) 4 Long Answer Questions of 6 marks each.

Macro Economics Part –A

A. **Multiple Choice Questions:-** 1X10=10

1. Read the following statements carefully :
   Statement 1 – Money is defined as anything that is generally accepted as a medium of exchange and at the same time acts as a measure and a store of value.
   Statement 2 – Money supply is stock of money in circulation in the country, at a particular point of time.
     In the light of the given statements, chose the correct alternative from the following:
     (a) Statement 1 is true and statement 2 is false. (b) Statement 1 is false and statement 2 is true.
     (c) Both Statement 1 and 2 are true.   (d) Both statement 1 and 2 are false.

2. _____ is the fraction of deposits that banks are required to keep as reserves legally with the central bank in the form of cash.
     (a) Statutory Liquidity Ratio   (b) Reserve Repo Rate
     (c) Cash Reserve Ratio   (d) Repo Rate

3. Read the following statement carefully :
   Statement 1 – The Goods & Service tax is a direct tax.
   Statement 2 –Direct tax is called Direct tax because it is collected from the income earners.
   In the light the given statement, choose the correct alternative from the following:
     (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true.
     (c) Both statements 1 and 2 are true.   (d) Both statements 1 and 2 are false.

4. In case of an underemployment equilibrium, which of the following alternative is not true?
     (a) Aggregate demand is equal to Aggregate supply.
     (b) There exist excess production capacity in the economy.
     (c) Resources are not fully and efficiently utilized.
     (d) Resources are fully and efficiently utilized.

5. The policy initiated by the central bank is called _____.
     (i) Fiscal policy   (ii) Currency policy   (iii) Bank policy   (iv) Monetary Policy
     Alternatives :
     (a) (i) and (ii) are correct.   (b) Only (iv) is correct.
     (c) (iii) and (iv) are correct.   (d) (i) and (iv) are correct.

6. Read the following statement – Assertion (A) and Reason (R). Choose one of the correct alternatives given below :
   Assertion (A) : Government should reduce subsidy to the farmers .
   Reason (R) : Providing subsidies are the burden on the government finances.
   Alternatives :
   (a) Both Assertion (A) and Reason (R) are true and Reason(R) is the correct explanation of Assertion (A).
   (b) Both Assertion (A) and Reason(R) are true and Reason(R) is not the correct explanation of Assertion (A)
   (c) Assertion (A) is true but Reason (R) is false.
   (d) Assertion (A) is false but Reason (R) is true.

7. Read the following statement – Assertion (A) and Reason(R). Choose one of the correct alternatives given below :

Assertion (A) : Rent received by an Indian real estate company from Google in New York would be a part of national income.

Reason (R) : National Income includes all the income received from abroad.

Alternatives :

(a) Both Assertion (A) and Reason(R) are true and Reason(R) is the correct explanation of Assertion (A).

(b) Both Assertion (A) and Reason(R) are true and Reason(R) is not the correct explanation of Assertion (A).

(c) Assertion (A) is true but Reason(R) is false.

(d) Assertion (A) is false but Reason(R) is true.

8. Which of the value is always positive.

    (a) MPC   (b) APC   (c) MPS   (d) APS

9. The investment multiplier is indirectly related to_____.

    (a) MPC   (b) MPS   (c) APS   (d) APC

10. The difference between Gross value of output and Net value of input is equal to_____.

    (a) Deprecation   (b) Intermediate Cost   (c) Nominal Cost   (d) Net Cost

11. In an economy, if Real Gross Domestic Product (GDP) is Rs.600 and Price Index (with base = 100) is 120, Calculate the Nominal GDP.   3

12. What do you understand by "Deficient Demand"?   3

State and discuss any two monetary policy measures to combat the situation of Deficient Demand.

<div align="center">OR</div>

(B) How will 'Reserve Repo Rate' control excess money supply in an economy? Justify your answer.

13. In an economy, C = 100 + 0.75 Y is the consumption function where C is the consumption expenditure and Y in the national income. Investment expenditure is Rs.1000 crores. Find equilibrium level of income and consumption expenditure.   4

14. Calculate (a) Gross National Product at market price, and (b) Gross Domestic Product at factor cost from the given data :   4

Sl.no	Particulars	(Rs. In crores)
(i)	Wages and salaries	4,000
(ii)	Rent	170
(iii)	Undistributed profit	300
(iv)	Net indirect tax	150
(v)	Subsidies	40
(vi)	Corporation Tax	100
(vii)	Net Factor income from aboard	90
(viii)	Dividend	60
(ix)	Consumption of fixed capital	50
(x)	Social security contribution by employers	200
(xi)	Mixed income of self employed	1,200

15. Explain the function of the Central Bank as Bank of Issue and Banker to the Government.   4

16. Explain the mean of a) revenue Deficit b) Fiscal Deficit and c) Primary Deficit. Write three implications of Revenue deficit.   6

17. A) Explain the concept Investment multiplier with the help of numerical example.

B) What is aggregate demand? State its main components. Draw diagram of aggregate demand.   3+3

Indian Economic Development –B

B. Multiple Choice Questions:-   1x10=10

18. Which of the following is not an institutional source of rural credit?
  (a) Commercial banks.   (b) Cooperative societies.
  (c) Commission agents.   (d) Self-Help Groups.

19. General agreement on Trade and Tariff was established in 1948 with _____ member countries.
  (a) 20   (b) 21   (c) 23   (d) 22

20. India adopted social banking and multi-agency approach to meet the needs of rural credit after_____.
  (a) 1967   (b) 1968   (c) 1969   (d) 1972

21. Read the following statements carefully :
  Statement 1: Work participation rate is a measure of proportion of the countries unemployed people.
  Statement 2: The formula to calculate workers participation ratio is total no. of workers divided by population and multiplied by 100.
  In the light off the given statements, choose the correct alternative from the following:
  (a) Statement 1 is true and statement 2 is false. (b) Statement 1 is false and statement 2 is true.
  (c) Both Statement 1 and 2 are true.   (d) Both Statement 1 and 2 are false.

22. _____ is the main reason for soil erosion.
  (a) Deforestation   (b) Ozone depletion
  (c) Air pollution   (d) Chemical fertilizer

23. When was the RBI established in India?
  (a) 1825   (b) 1839   (c) 1935   (d) 1990

24. Which of the following is not the source of human capital formation?
  (a) Education   (b) Migration   (c) Information   (d) Emotion

25. In which year the GST implemented in India?
  (a) 1881   (b) 2017   (c) 1991   (d) 2011

26. How many categories are there of industries in 1956 IPR?
  (a) One   (b) Two   (c) Three   (d) Four

27. When was the Central Pollution Control Board Established?
  (a) 1958   (b) 1974   (c) 1980   (d) 1997

28. State whether the following statement are true or false with valid reason :   3
  (a) Human capital and human development are different terms.
  (b) Elementary education takes a major share of the total education expenditure.

29. Explain the importance of micro credit in India.   3

30. Define human capital. What are sources of human capital formation in India?   4

31. (A) What were the four principal factors which contributed in the backwardness of Indian agriculture on the eve of independence?

OR

  (B) How Industrial development in India has accelerated the rate of economic development in our country?   4

32. A What is Blue Revolution?   4
  (B) State two sources of agricultural credit in India.
  (C) Discuss briefly the concept of disguised unemployment.

33. " India has abundant natural resources " Substantiate the statement.   6

34. How human capital formation help in growth of a country?   6

35. Explain the main causes of unemployment in India?

OR

  Define human development. What are the various indicators of human development?