Bhavan's Tripura Vidyamandir
1st Terminal Examination: (2025-2026)

Class:- 12 | **Subject:- Economics**
Time:- 3 Hours | Total :- 80 Marks
Roll: | Sec:
Name of the student:

Macro Economics Part –A

1. Read the following statements carefully : **1X10=10**

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. As per the following news published in The Economic Times on 4th March, 2021:

"RBI will purchase four government securities of different maturity dates aggregating to Rs.10,000 crores and sell these securities aggregating to Rs.11,000 using the multiple price auction method under Open Market Operations."

(i) How commercial bank will react in this situation?

(ii) Is it possible for RBI to control the commercial banks? **3**

13. (A) Read the following text carefully and answer the following questions.

India has been dealing with the problem of deficient demand, since the imposition of COVID lockdown in March 2020. In case of demand deficient, people will be spending less. The government may plan to increase its spending policy to correct deficient demand.

(a) What do you understand by "Deficient Demand"?

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

OR

(B) How will 'Reserve ratio control excess money supply in an economy? Justify your answer. **4**

14. 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**

15. 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

16. Explain the concept in Deflationary gap with the help of diagram. Write any three measures to correct the gap. **6**

17. (A) Explain the Four precautions of Expenditure method while estimating National Income.

(B) Write the formula of GDP at market prices of expenditure method. **6**

Indian Economic Development –B

18. Which of the following is not an institutional source of rural credit? **1X10=10**

(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 use

(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. The TISCO was incorporated in the year_____________.(fill in the blank)

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? **4**

OR

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

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. Explain the importance of Green Revolution in India. Why it is implemented? How it help Indian farmer? **6**

34. How human capital formation help in growth of a country? Explain the main causes of unemployment in India? **6**