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Centum Scoring Test-1
Economics
Chapter – 1,2,3

Class: XII
Time: 3.00 Hrs
Marks: 90

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 is regarded as father of modern macro economics?
   a) Adam Smith b) J.M. Keynes c) Ragnar Frisch d) Karl Marx
2. Identify the other name for macro economy
   a) Price theory b) Income theory c) Market theory d) Micro theory
3. Indicate the fundamental economic activities of an economy
   a) Production and distribution b) Production and exchange c) Production and consumption d) Production and marketing
4. Who is referred as father of capitalism?
   A) Adam Smith b) J.M. Keynes c) Karl Marx d) Thackeray
5. 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
6. Net national product at factor cost is also known as
   a) National income b) Domestic income c) Per capita income d) Salary
7. The financial year in India is
   a) April 1 to March 31 b) March 1 to April 30 c) March 1 to March 16 d) January 1 to December 31
8. When net factor income from abroad is deducted from NNP the net value is
   a) Gross National Product b) Disposable income c) Net Domestic Product d) Personal income
9. The average income of the country is
   a) Personal income b) Per capita income c) Inflation rate d) Disposal income
10. PQLI is the indicator of
   a) Economic growth b) Economic welfare c) Economic progress d) Economic development

11. In disguised unemployment the marginal productivity of labour is
   a) Zero b) One c) Two d) Positive

12. The main concentration of the classical economic theory is
   a) Under employment b) Economy is always in the state of equilibrium
      c) Demand creates is supply d) Imperfect competition

13. The basic concept used in Keynes theory of employment and income is
   a) Aggregate demand b) Aggregate supply c) Effective demand d) MPC

14. Keynes theory emphasized on ........ equilibrium
   a) Very Short run b) Short run c) Very long run d) Long run

15. According to classical theory rate of interest is a reward for
   a) Investment b) Demand c) Capital d) Saving

16. **Pick the odd one out**: The classical theory was developed by
   a) J.S. Mill b) J.B. Say c) A.C. Pigou d) J.M. Keynes

17. **Which is the following is not correctly matched**
   a) Simmon Kuznets – Creator of GDP b) J.B. Say – French Economist
      c) J.M. Keynes – Effective demand d) Ragnar frisch – Sweden

18. **Assertion (A)**: Rate of interest is determined by the demand for and supply of money
   **Reason (R)**: Rate of interest is determined by saving and investment
   a) Both ‘a’ and ‘r’ are true but ‘r’ is not the correct explanation to ‘a’
   b) Both ‘a’ and ‘r’ are true and ‘r’ is the correct explanation to ‘a’
   c) ‘a’ is true but ‘r’ is false
   d) ‘a’ is false but ‘r’ is true

19. **Match the following**:

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<thead>
<tr>
<th>Unit-1</th>
<th>Unit 2</th>
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<tbody>
<tr>
<td>a) Stock</td>
<td>1) Period of time</td>
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<tr>
<td>b) Flow</td>
<td>2) Economic variable</td>
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<td>c) Economic model</td>
<td>3) Macro economy</td>
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<td>d) Circular flow model</td>
<td>4) Point of time</td>
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a)  b)  c)  d)  
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20. In which theory money performs only the medium of exchange in the economy?
   a) Say’s Law  b) General theory  c) Income theory  d) Saving theory

Part-II

Answer any 7 questions only question No.30 is compulsory   7x2=14

21. Define macro economics.
22. What do you mean by capitalism?
24. Define national Income.
25. What is the difference between NNP and NDP?
26. Why is consumption difficult in measuring National Income?
27. What is the main feature of rural unemployment?
28. What is effective demand?
29. What are the component of aggregate demand?
30. What is mean by subsidies and depreciation?

Part-III

Answer any 7 questions only NO.40 is compulsory   7x3=21

31. State the importance of macro economics.
32. Outline the major merits of capitalism.
33. Briefly explain the two sector circular flow of model.
34. What is the solution to the problem of double counting in the estimation of national income?

35. List out the uses of national income.

36. Explain the Keynes theory in the form of flow chart.

37. Explain about aggregate supply with the help of diagram.

38. Write any five differences between classism and Keynesianism.

39. Explain the features of socialism.

40. What are the two approaches determinations of the equilibrium level income in Keynesian theory? Which sector model followed by Keynes theory of employment?

Part-IV

Answer all the questions 7x5=35

41. Discuss the scope of Macro economics.

        (Or)

        Explain the importance’s of national income.

42. Compare the features of capitalism and socialism.

        (Or)

        Describe the types of unemployment.

43. Discuss the various of estimating the national income of a country.

        (Or)

        Critically explain say’s law of market.

44. Compare the feature among capitalism secularism and mixedism.

        (Or)

        Discuss the importance of social accounting in economic analysis.
45. Define Macro economy and explain concepts of Macro Economics.

(Or)

Narrate the equilibrium between ADF and AsF with Diagram.

46. What are the difficulties involved in the Measurement of National Income?

(Or)

Explain the difference between classical among and Keynes theory.

47. Illustrate the functioning of an economy based on its activities.

(Or)

What are the assumptions of the say’s law of market?

“Equanimity, hard work and intelligent time management are secrets of success”

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Centum Scoring Test-2
Economics
Chapter 4,5,6

Class: XII                          Time: 3.00
Marks: 90

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. The marginal propensity to save is measured by
   a) $\frac{\Delta S}{\Delta Y}$  b) $\frac{\Delta S}{Y}$  c) $\frac{\Delta C}{Y}$  d) $\frac{\Delta C}{\Delta Y}$

2. As national income increases
   a) The APC falls gets nearer value to the MPC  b) The APC increases and
c      decreases value from the MPC  c) The APC stays constant  d) The APC
      always approaches infinity

3. Lower interest rates are likely to
   a) Decrease in consumption  b) Increases cost of borrowing  c) Encourage
      saving  d) Increase borrowing and spending

4. When investment is assumed autonomous, the slope of the AD schedule is
determined by the
   a) Marginal propensity to invest  b) Disposable income  c) Marginal
      propensity to consume  d) Average propensity to consume

5. According to Keynes investment is a function of MEC and
   a) Demand  b) Supply  c) Income  d) Rate of interest

6. J.M. Keynes concept of multiplier redefined it as
   a) Employment multiplier  b) Super multiplier  c) Investment multiplier
      d) All the above

7. ..........inflation results in a serious depreciation of the value of money
   a) Creeping  b) Walking  c) Running  d) Hyper

8. During depression the curve of economic activity becomes extremely
   a) High  b) Bad  c) Low  d) Good
9. Fisher’s Quantity theory of money is based on the essential function of money as
   a) Measure of value b) Store of value c) Medium of exchange d) Standard of deferred payment
10. V in MV=PT equation stands for
    a) Volume of trade b) Velocity of circulation of money c) Volume of transaction d) Volume of basic and credit money
11. NBFI does not have
    a) Banking license b) Government approval c) Money market approval d) Finance ministry approval
12. Bank rate means
    a) Re-discounting the first class securities b) Interest rate c) Exchange rate d) Growth rate
13. Moral suasion refuse
    a) Optimization b) Maximization c) Persuasion d) Minimization
14. EXIM bank was established in
15. Monetary policy is formulated by
    a) Co-operative banks b) Commercial banks c) Central bank d) Foreign banks
16. The rate at which the RBI is ..............to commercial bank is called repo rate
    a) Willing to borrow b) Reserve c) Willing to lend d) All the above
17. Pick the odd one out: Phases of Trade cycle
    a) Boom b) Recession c) Depression d) Creation
18. Assertion (A): Monetary policy is the Macroeconomic policy
    Reasons (R): Central bank towards the management of money supply and interest rate
    a) A is true but R is false b) A is false but R is true c) Both A and R are true but R is not the correct explanation of A d) Both A and R are true and R is the correct explanation of A
19. **Match the following Choose the correct option code**
   a) Multiplier  
   b) Autonomous investment  
   c) MPC  
   d) Induced investment

   - i) Income elastic  
   - ii) Directly with multiplier  
   - iii) Inverse related to MPS  
   - iv) Inelastic

   **Codes**
   
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<th>B</th>
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<th>D</th>
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</table>
   a) | iii | iv  | ii | i  |
   b) | i   | ii  | iii| iv |
   c) | iv  | ii  | iii| i  |
   d) | iii | iv  | i  | ii |

20. The new currency symbol ₹ designed by ….
   a) D. Udaya Kumar  
   b) R. Udaya Kumar  
   c) C. Udaya Kumar  
   d) A. Udaya Kumar

**Part-II**

**Answer any 7 question only Question No 30 is Compulsory 7x2=14**

21. What do you mean by propensity to consume?
22. Define Average Propensity to Save (APS).
23. Define multiplier.
24. Define money.
25. What is plastic money? Give Example.
26. What is Stag flation?
27. Distinguish between CRR and SLR.
28. What is rationing of credit?
29. Mention the functions of agriculture credit department.
30. What are factors depends on MEC?

**Part –III**

**Answer any 7 questions only question No.40 is compulsory 7x3=21**

31. State the propositions of Keynes’s psychological law of consumption.
32. Differentiate autonomous and induced investment
33. Specify the limitations of the super multiplier.
34. What is money supply?
35. Write the types of inflation.
36. Explain disinflation.
37. What are the functions of IFCI
38. Distinguish between money market and capital market.
40. Distinguish between repo rate and reserve repo rate.

Part-IV

Answer all the questions 7X5=35

41. Briefly explain the subjective and objective factors of consumption function?

(OR)

Explain the operation of the accelerator

42. Explain the function of money

(OR)

What are the causes and effects of inflation on the economy?

43. Describe the functions of reserve bank of India

(OR)

What are the objectives of monetary policy? Explain.

44. What are the difference between MEC and MEI.

(OR)

Explain the role of commercial banks in economic development.
45. Illustrate Fisher’s quantity theory of money.

(OR)

Describe the phases of trade cycle.

46. Explain Keynes psychological law of consumption function with diagram

(OR)

Elucidate the functions of commercial banks.

47. Illustrate the working of multiplier.

(OR)

What are the uses of multiplier.

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