

Model Question

Class XII : Economics : Term II (Board Final) Examination ; Marks 40

I. Choose the correct Answer : **1 X 10=10**

1. RBI issues currency based on the following system
 - a. Proportionate system
 - b. Simple deposit system
 - c. Minimum reserve system
 - d. Fixed fiduciary issue system
2. Supply of money is a
 - a. Flow variable
 - b. Stock variable
 - c. Real flow
 - d. None of the above
3. Consumption function is a functional relationship between
 - a. Income and saving
 - b. Price and consumption
 - c. Consumption and income
 - d. Consumption and saving
4. When $C=100 + 0.5 Y$ and $Y= 1000$, Autonomous consumption will be
 - a. 100
 - b. 500
 - c. 600
 - d. 1000
5. Disequilibrium of balance of payment leads to
 - a. Increase in official reserves with RBI
 - b. Decrease in official reserves with RBI
 - c. Both (a) & (b)
 - d. None of the above
6. Which of the following items relate to BOP on capital account
 - a. Foreign investment
 - b. Loans
 - c. NRI remittances
 - d. All of the above
7. Poverty across different classes, regions or countries is called
 - a. Absolute poverty
 - b. Differential poverty
 - c. Relative poverty
 - d. None of the above
8. Human capital and human development are
 - a. Opposite concepts
 - b. Different concepts
 - c. Both mean the same
 - d. Related concepts but certainly not identical
9. Which of the followings is not related to agricultural marketing
 - a. Storage
 - b. Preservation
 - c. Processing
 - d. Use of chemical fertilizers
10. Global Burden of Disease (GBD) as an indicator is used to assess
 - a. The quantity of life (number of years) lived by the people
 - b. The quality of (disease free) life lived by the people

- c. The quantity and quality of life lived by the people d. None of the above

II. Answer the following question:

1 X 20= 20

11. Write down the components of money supply.
 12. Which organization is the supplier of money in India?
 13. What is high powered money?
 14. What is Reverse Repo Rate?
- Or, Name the qualitative credit control tools.
15. Define marginal propensity to consume.
 16. Find out the value of MPC, when MPS is 0.2.
 17. Let us consider, the disposable income is Rs. 1000 crore and consumption level is Rs. 800 crore. Calculate average propensity to consume.
 18. What is unilateral payment?
 19. What is meant by deficit in balance of payment?
 20. What will be the effect on BOP when we import pulses?
 21. What is meant by Head count ratio?
 22. Define poverty?
 23. What is the minimum caloric intake estimated for rural and urban areas?
 24. What are the indicators of educational achievement in a country?
 25. What is right to education?
 26. Give two examples of human capital.
 27. Name three non-institutional sources of agricultural credit.
 28. What is organic farming?
 29. Why is healthcare a component of infrastructure?
 30. Define social infrastructure. Or, Write the full form of 'AYUSH'.

III. Answer the following questions briefly(within 20 words):

2 X 5= 10

31. Suppose, in an economy autonomous consumption is 500, MPS is 0.2 and investment expenditure is 2000. Calculate equilibrium level of income.
32. Distinguish between autonomous and accommodating transaction of balance of payments.
33. What is poverty line?
34. Mention some obstacles that hinder the mechanism of agricultural marketing.
35. Justify that energy crisis can be overcome with the use of renewable