

Economics
Model Question Paper
(State Board)

MAX: 90

Part –A

20X1=20

S.No	Questions	Marks
1	Which of the following is not a component of Gross Domestic Product (GDP)? a) Personal consumption b) Government spending c) Exports d) Savings	1
2	Inflation is best defined as: a) A decrease in the general price level b) An increase in the general price level c) No change in the general price level d) An increase in the standard of living	1
3	What is the main tool used by central banks to control the money supply? a) Fiscal policy b) Exchange rates c) Interest rates d) Government spending	1
4	The Phillips Curve suggests a trade-off between: a) Inflation and unemployment b) Inflation and economic growth c) Government spending and taxation d) Savings and investment	1
5	Fiscal policy involves: a) Controlling the money supply b) Government spending and taxation c) Regulating financial institutions d) Managing foreign exchange rates	1
6	The concept of "crowding out" in macroeconomics refers to: a) The increase in private investment due to government spending b) The decrease in private investment due to government borrowing c) The effect of lower interest rates on consumer spending d) The impact of exchange rate fluctuations on exports	1
7	What does the term "GDP per capita" represent? a) The total output of a country b) The average income of a country's population c) The government's budget surplus d) The inflation rate	1
8	The Laffer Curve suggests that tax revenue will be zero at: a) A tax rate of 0%	1

	<ul style="list-style-type: none"> b) A tax rate of 50% c) A tax rate of 100% d) A specific optimal tax rate 	
9	<p>What is the primary purpose of a country's balance of payments?</p> <ul style="list-style-type: none"> a) To track its national debt b) To monitor government spending c) To record all economic transactions with other countries d) To regulate the money supply 	1
10	<p>Comparative advantage in international trade is based on:</p> <ul style="list-style-type: none"> a) The ability to produce all goods efficiently b) The lowest opportunity cost of producing a good c) Having the largest market share in a global market d) Equal trade restrictions for all countries 	1
11	<p>What is the largest sector in the Indian economy by contribution to Gross Domestic Product (GDP)?</p> <ul style="list-style-type: none"> a) Agriculture b) Manufacturing c) Services d) Construction 	1
12	<p>Which government body is responsible for formulating and implementing monetary policy in India?</p> <ul style="list-style-type: none"> a) Ministry of Finance b) Reserve Bank of India (RBI) c) Securities and Exchange Board of India (SEBI) d) Planning Commission 	1
13	<p>What is the main objective of India's "Make in India" campaign?</p> <ul style="list-style-type: none"> a) Promote indigenous manufacturing and reduce imports b) Boost agricultural productivity c) Attract foreign investment in the services sector d) Promote tourism 	1
14	<p>Which of the following is NOT a source of revenue for the Indian government?</p> <ul style="list-style-type: none"> a) Income tax b) Corporate tax c) Value Added Tax (VAT) d) Sales tax 	1
15	<p>What is the function of the National Stock Exchange (NSE) in India?</p> <ul style="list-style-type: none"> a) Regulating banks and financial institutions b) Facilitating the trading of stocks and shares c) Implementing agricultural policies d) Managing foreign exchange rates 	1
16	<p>The term "LPG" in the context of the Indian economy refers to:</p> <ul style="list-style-type: none"> a) Liquefied Petroleum Gas b) Liberalization, Privatization, and Globalization c) Liquid Petroleum Gasoline d) Low-Price Goods 	1
17	<p>Which of the following is a major initiative by the Indian government to promote financial inclusion?</p> <ul style="list-style-type: none"> a) Pradhan Mantri Jan Dhan Yojana 	1

	b) Swachh Bharat Abhiyan c) National Rural Employment Guarantee Act (NREGA) d) Digital India	
18	What is the primary objective of the National Rural Employment Guarantee Act (NREGA)? a) Promote small-scale industries in rural areas b) Provide unemployment benefits to urban workers c) Guarantee a minimum of 100 days of wage employment to rural households d) Encourage foreign investment in agriculture	1
19	India's largest trading partner in terms of imports and exports is: a) China b) United States c) Russia d) Japan	1
20	What is the role of the Securities and Exchange Board of India (SEBI) in the Indian economy? a) Regulating and overseeing the capital markets b) Managing agricultural subsidies c) Controlling the money supply d) Promoting foreign direct investment	1

Part –B Answer any Seven Questions

7X2=14

S. No	Questions	Marks
21	What is meant by National Income.	2
22	Define – Welfare	2
23	Illustrate the GDP	2
24	Distinguish Positive and Normative Economics.	2
25	What are major Rivers in Tamil Nadu?	2
26	What is heritage tourism?	2
27	What are the Thermal power plants inTamil Nadu?	2
28	Define Large Scale Industry.	2
29	Define fiscal deficit.	2

Part- C Answer any Seven Questions

7X3=21

S. No	Questions	Marks
30	Write a note on Energy resources in Tamil Nadu.	3
31	Write a short note on Welfare Economics given by Amartya Sen.	3
32	Explain the Production function.	3
33	Distinguish between fixed cost and variable cost.	3
34	State the differences between Average cost and Marginal Cost.	3
35	What are the types of Market.	3
36	Differentiate between 'firm' and 'industry'.	3

37	State the features of Monopolistic Competition.	3
38	Role of Monetary Policy.	3
39	What is Green Revolution? Write its advantages.	3

Part- D

Answer all the questions

7X5=35

S. No.	Questions	Marks
40	Describe the salient features of Recent EXIM policy. Or Explain the objectives and characteristics of SEZs.	5
41	Discuss the problems of Urban Economy Or Analyze the causes Poverty.	5
42	Explain the various sources of energy in Tamil Nadu. Or Explain the public transport system in Tamil Nadu.	5
43	Bring out the features of Monopolistic competition Or Describe the features oligopoly.	5
44	Write a brief note on the Ambedkar's economic ideas. Or Explain the strong features of Indian economy	5
45	List out the objectives of fiscal Policy Or What are the remedial measures for Rural Unemployment?	5
46	Illustrate price and output determination under Monopoly. Or Explain various Steps of	5