

Name: _____ R. No. _____ Class/ Sec: _____ Date: _____ Invig. Sign _____

ATOMIC ENERGY CENTRAL SCHOOL, NARORA
CLASS XII ECONOMICS UNIT TEST FIRST 2018-19

MM: 50

TIME: 1:30 Hr.

General Instructions:

- All questions are compulsory and marks are mentioned in front of each question.
- Electronic devices are prohibited to use in the examination.
- Use Blue or Black Pen only.
- Don't write answer or objectionable things on question paper.

SECTION-A

Q 1 Answer the following questions:

1x 5=5

- (i) Define opportunity cost.
- (ii) What is meant by consumer's equilibrium ?
- (iii) Define an indifference curve.
- (iv) Give one reason for a shift in demand curve.
- (v) What is meant by production possibility curve.

Q2 Answer the following questions.

3x4=12

- a) Distinguish between microeconomics and macro economics.
- b) Explain the law of demand with the help of a demand schedule.
- c) With the help of suitable example explain the problem for whom to produce?
- d) Explain the relation between total utility and margin utility ?

- e) Explain the law of diminishing marginal utility with the help of a total utility schedule ?

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Q4 Distinguish between :

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- 1) Cardinal utility and ordinal utility.
- 2) Budget set and Budget line

Section -B

Q 5. Answer the following questions:

1x 5=5

- (i) Define national income.

- (ii) What is meant by transfer payments.
- (iii) Define gross investment.
- (iv) What are flow variables.
- (v) Define depreciation.

Q6 Answer the following questions:

3x 4=12

- (a) Explain the income method of estimating national income.
- (b) Distinguish between stocks and flows. Give an example of each.
- (c) Define nominal GDP and real GDP.
- (d) Distinguish between intermediate goods and final goods.

Q7 Give reasons explain how the following should be treated in estimation of national income. 4

- (i) Payment of corporate tax by a firm.
- (ii) Financial assistance to flood victims
- (iii) Payment of interest by a bank to an individual.
- (iv) Entertainment tax received by the government.

Q8 Calculate National Income.

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Items	(Rs. In crore)
(i) Compensation of employees	2000
(ii) Profit	800
(iii) Rent	300
(iv) Interest	250
(v) Mixed income of self –employed	7000
(vi) Net current transfers to abroad	200
(vii) Net exports	() 100
(viii) Net indirect taxes	1500
(ix) Net factor income to abroad	60
(x) Consumption of fixed capital	120