DIRECTORATE OF SCHOOL EDUCATION, AMU
SENIOR SECONDARY SCHOOL CERTIFICATE EXAMINATION (PART II)
UNIT TEST- 2 (2025-26)
CLASS XII
SUBJECT: ECONOMICS

MM: 25 **DURATION: $1\frac{1}{2}$ HOURS**

Note: Attempt all the Questions:

Section A (Very Short Answers) [1x4=4 Marks]

Q.1. What is the value of Average propensity to consume at break even point?
Q.2. Define Fiscal Deficit?
Q.3. Why is payment of interest a Revenue Expenditure?
Q.4. Define objective of stability of prices of government Budget.

Section B (Short Answers) [3x5=15 Marks]

Q.5. Distinguish between revenue receipt and capital receipt.

Q.6. Define the components of current account of the balance of payment.

Q.7. Distinguish between Devaluation and Depreciation of domestic currency.

Q.8. Explain Saving function with the help of schedule and diagram.

Q.9. In an economy, the actual level of income is Rs 500 crores whereas, the full employment level of income is Rs 800 crores ,if one fourth of additional income is saved , Calculate increase in investment required to achieve full employment level of income?

For visually handicapped

Q.9'. Define investment multiplier.

Section C (Long Answers) [6x1=6 Marks]

Q.10. In an economy, the investment expenditure is Rs 70 crores and consumption function is C=60 +0.80Y (1) Determine the equilibrium level of income.

(2) Find the equilibrium income when planned investment expenditure is increased by Rs 10 crores (3) Calculate the value of investment multiplier due to increase in investment expenditure by Rs 5 crores?

OR

Q10. Explain the determination of equilibrium level of national income by using (1) Aggregate Demand and Aggregate Supply Approach and (2) Saving and investment Approach with the help of schedule and diagrams.