



**INDIAN SCHOOL SOHAR**  
**TERM II EXAMINATION (2018 – 2019)**  
**ECONOMICS [030]**

**CLASS: XI**  
**DATE: 18/11/2018**

**MAX MARKS: - 80**  
**DURATION: - 3HRS**

**General Instructions:-**

1. Marks for questions are indicated against each question.
2. Question No.1-4 and 13-16 are very short answer questions carrying 1 mark each. They are required to be answered in one sentence.
3. Question No.5-6 and 17-18 are short answer questions carrying 3 marks each. Answers to them should not normally exceed 60 words each.
4. Question No.7-9 and 19-21 are also short answer questions carrying 4 marks each. Answers to them should not normally exceed 70 words each.
5. Question No.10-12 and 22-24 are long answer questions carrying 6 marks each. Answers to them should not normally exceed 100 words each
6. Answers should be brief and to the point and the above word limit be adhered to as far as possible

**SECTION A: INTRODUCTORY MICRO ECONOMICS**

1. A consumer consumes only two goods. If price of one of the goods falls, the indifference curve : [1]
  - A. Shifts upwards
  - B. Shifts downwards
  - C. Can shift both upwards or downwards
  - D. Does not shift
2. When Average revenue is above Average Cost, firm is at : [1]
  - A. Loss making point
  - B. Supernormal profit point
  - C. Breakeven point
  - D. Minimise loss point
3. Select the correct option. [1]
  - A.  $TR = \sum MR$
  - B.  $TR = \frac{\Delta AR}{\Delta Q}$
  - C.  $AR = TR \times Total\ Output$
  - D.  $TR = \frac{AR}{Total\ Output}$
4. Price elasticity of demand of easily available substitute goods is:
  - A.  $E_D < 1$
  - B.  $E_D > 1$
  - C.  $E_D = 1$
  - D.  $E_D = \infty$

5. What will be the impact of “Education for All campaign” (Sarv Shiksha Abhiyan) on the Production Possibilities Curve of the Indian economy and why? [3]

OR

A shift of the PP curve to the right depicts the growth of the economy. Explain the factors, which lead to the rightward shift of the PP curve.

6. 

Demand schedule of x good		
Price (₹)	8	6
Quantity demanded	10	24

Demand schedule of y good		
Price (₹)	8	4
Quantity demanded	10	12

 [3]

- A. Find out the elasticity of demand on the basis of the given information  
 B. Which one of them is more elastic and why?

7. A consumer consumes only two goods, each priced at ₹ 1 per unit. If the consumer chooses a combination of the two goods with Marginal Rate of Substitution equal to 2, is the consumer in equilibrium? Give reasons. Explain what a rational consumer will do in this situation. [4]

OR

A consumer consumes only two goods X and Y whose prices are ₹2 and ₹ 1 per unit respectively. If the consumer chooses a combination of the two goods with marginal utility of X being 4 and that of Y also being 4, is the consumer in equilibrium? Give reasons. Explain what a rational consumer will do in this situation. Use Marginal Utility Analysis.

8. Explain with the help of an example and a suitable diagram, how the demand for a given good is affected by:  
 A. A rise in the price of a substitute good.  
 B. Unfavourable change in taste and preferences of the consumer. [4]
9. Explain the relationship between AC, AVC and MC with the help of a schedule and diagram [4]

OR

Differentiate between

- A. Explicit cost and implicit cost.  
 B. Fixed cost and variable cost.

10. Calculate TC and AVC of a firm at each level of output [6]

Output	1	2	3	4	5	6
AFC	60	30	20	15	12	10
MC	32	30	28	30	35	43

11. A. Differentiate between perfectly elastic and perfectly inelastic demand. [6]  
 B. Why is there an inverse relationship between price and quantity demanded of a commodity?

12. Define elasticity of supply. Explain the factors affecting elasticity of supply. [6]

OR

A. What is supply? Explain the effect of technological progress on supply of a good.

B. When the Price of a good rises from ₹20 per unit to ₹30 per unit, the revenue of the firm producing this good rises from ₹100 to ₹ 300. Calculate the price elasticity of supply.

**SECTION B: STATISTICS FOR ECONOMICS**

13. Sampling is a tool of [1]

- A. collection of data
- B. Presentation of data
- C. Analysis of data
- D. Interpretation of data

14. Census of India depicting growth rate of population in India is an example of [1]

- a. quantitative data
- b. spatial classification
- c. chronological classification
- d. qualitative classification

15. The price rise of a particular commodity over a period of time can be better presented on a [1]

- a. bar graph
- b. time series graph
- c. histogram
- d. frequency polygon

16. If in an asymmetrical distribution, Median is 140 and mean is 80 mode will be [1]

- a. 380
- b. 260
- c. 140
- d. 500

17. "All statistics are data, but all data are not statistics." Explain the characteristics of statistics based on this definition. [3]

OR

Define classification. Explain the main objectives of classification.

18. The monthly salary of some families in a society is given below. [3]

Monthly salary ( in ₹ 000)	10 -20	20 – 30	30 – 40	40 – 50	50- 60	60 - 70
No. of families	6	9	12	17	11	5

A. What is the lower limit of the second-class interval?

- B. What is the upper limit of the last class interval?
- C. What is the class size of each class interval?
- D. What is the mid value of the third class interval?
- E. How many families earn ₹ 50,000 or more in a month?
- F. How many families earn less than ₹ 20,000 in a month?

19. Following table shows results of Lok Sabha General Elections 2014. Draw a pie chart showing share of individual party. [4]

PARTY	BJP	INC	AIADMK	BJD	SHIV SENA	TMC	TELUGU DESAM	OTHERS	TOTAL
No. of seats	282	44	37	20	18	34	16	92	543

20. Tabulate the following information collected through a survey. [4]

Of the 1,125 students (both boys and girls) studying in a school during 2005 – 2006, 720 are Hindus, 628 are boys and 440 are science students. The number of Hindu boys is 392, that of boys studying science 205 and that of Hindu students studying science 262. The numbers of science students among the Hindu boys were 148.

21. Calculate the weighted mean by weighing each price by the quantity consumed. [4]

Product	Flour	Butter	Clothes	Petrol	electricity
Quantity consumed	25 Kg	3 Kgs	8 meters	6 Litres	26 units
Price (in ₹)	12	85	250	44	5

22. Draw a Lorenz curve with the help of the following data. [6]

Weekly Wages( in ₹)	6	25	60	84	105	150	170	400
No. of workers	Factory A	6	11	13	14	15	17	14
	Factory B	2	38	52	28	38	26	4

23. Differentiate between : [6]

- A. Direct personal investigation and indirect oral investigation.
- B. Census method and sample method of statistical enquiry.

24. Calculate standard deviation and its coefficient from the following data. [6]

Wages (in ₹)	Above 0	Above 10	Above 20	Above 30	Above 40	Above 50	Above 60	Above 70
Workers	100	90	75	50	25	15	5	5

\*\*\*\*\*THE END\*\*\*\*\*