INDIAN SCHOOL SOHAR
FINAL EXAMINATION (2018 – 2019)
ECONOMICS [030]

CLASS: XI   **MAX MARKS: - 80**
DATE: 24/02/2019   **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

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SECTION A: INTRODUCTORY MICRO ECONOMICS

1. If the demand curve of a firm is a horizontal straight line   [1]

    A. A firm can sell any amount at the existing prices.

    B. A firm can sell only specific amount at the existing prices

    C. All firms will sell equal amount of goods

    D. Firms can differentiate their products.

2. Suppose that the supply of cameras increases due to an increase in imports. Which of the   [1]

    following statements will most likely occur?

    A. The equilibrium price of cameras will increase.

    B. The equilibrium quantity of cameras exchanged will decrease.

    C. The equilibrium price of camera film will decrease.

    D. The equilibrium quantity of camera film exchanged will increase.

3. DD is a demand curve, A and B are two points on it.
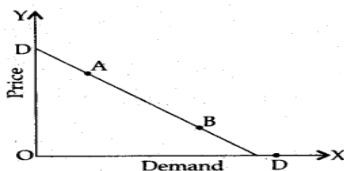
    Price elasticity of demand at point A is:

    A. Less than elasticity of demand at B.

    B. Equal to elasticity of demand at B.

    C. Greater than elasticity of demand at B.

D. Less than one.

4. Which one of the following statements is the best definition of production function? [1]

    A. The relationship between market price and quantity supplied.

    B. The relationship between the firm's total revenue and the cost of production.

    C. The relationship between the quantities of inputs needed to produce a given level of output.

    D. The relationship between the quantity of inputs and the firm's marginal cost of production.

5. Why is a firm under perfect competition a price taker and under monopolist competition a price maker? Explain briefly. [3]

OR

Why is the demand curve of a firm under monopolistic competition more elastic than under monopoly? Explain.

6. Why production possibility curve is also called opportunity cost curve? What will be the impact of recently launched 'Clean India Mission' (Swachh Bharat Mission) on the Production Possibilities curve of the economy and why? [3]

7. Explain the meaning of diminishing marginal rate of substitution with the help of a numerical example. [4]

OR

A consumer wants to consume two goods. The prices of the two goods are ₹4 and ₹5 respectively. The consumer's income is ₹20.

    1. Write down the equation of the budget line.
    2. How much quantity of good 1 can the consumer consume if she spends her entire income on that good?
    3. How much of good 2 can she consume if she spends her entire income on that good?
    4. What is the slope of the budget line?

8. The following headline appeared in the Hindustan Times on 2 August 2014: [4]

"Crop damaged in Himachal sent tomato prices roaring in Delhi." Use a diagram and economic theory to analyse the statement.

9. From the following schedule, find out the level of output at which the producer is in equilibrium. Calculate profit. Give reasons for your answer. [4]

Output (units)	1	2	3	4	5	6	7
Price (in ₹)	24	24	24	24	24	24	24
Total cost (in ₹)	26	50	72	92	115	139	165

10. Differentiate between [6]

A. Cardinal and Ordinal Utility.

B. Normal Goods and Inferior Goods

C. perfectly elastic and perfectly inelastic demand

11. A. Why is the Average cost curve always u shaped? [6]

B. Explain the relation between Marginal Revenue and Average Revenge.

12. What type of changes take place in total product and marginal product when there are [6]
    1. Increasing returns to factor
    2. Diminishing returns to factor
    Why do these changes take place?

<p align="center">OR</p>

A. What does Price Floor mean? Discuss in brief, any one consequence of imposition of floor

   price above equilibrium price with help of a diagram

B. Explain the difference between "Shift of Supply Curve" and "Movement along Supply Curve".

   State one factor responsible for each. Use diagrams.

<p align="center">**SECTION B: STATISTICS FOR ECONOMICS**</p>

13. In a village of 200 farms, a study was conducted to find the cropping pattern. Out of the 50 farms [1]

    surveyed, 50% grew only wheat. Identify the population and the sample here.

14. Range is the [1]

    A. Difference between the largest and the smallest observations.

    B. Product of the smallest and the largest observation.

    C. Average of the largest and smallest observations.

    D. Ratio of the largest to the smallest observation.

15. To conduct survey of illiterate respondents, the best method for collection of data will be [1]

    A. questionnaire method

    B. indirect oral investigation

    C. personal interview

    D. observation method

16. Relationship between increase in price of a commodity and the quantity demanded is an example [1]

    of:

    A. Positive correlation

    B. Negative correlation

    C. Linear correlation

    D. No correlation

17. Secondary data must be scrutinised and edited before use. What precautions would you take [3]

before using such data?

OR

A woman in the kitchen tests only a grain or two of the rice to know whether the rice is boiled or not. Name and define this method of investigation. Explain the merits of this method of collection of data.

18. Find the quartile deviation and its coefficient from the following data. [3]

No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Y	145	130	200	210	198	234	159	160	178	257	260	390	360	345

19. Present the following information about the details of candidates interviewed in a tabular form. [4]

Out of the total number of 2807 women, who were interviewed for employment in a textile factory, 912 were from textile areas and the rest from non-textile areas. Amongst the married women, who belonged to textile 374 were having some work experience and 173 were freshers, while for non-textile areas the corresponding figures were 199 and 670 respectively. The total number of women having no experience (freshers) was 1841 of whom 311 were from textile areas. Of the total number of women, 1418 were unmarried and of these, the number of women having experience in textile and non-textile areas was 254 and 166 respectively.

20. The following table shows production of electricity from different sources in India from 2003-2004 to 2006 -2007. Present the data in a subdivided bar diagram [4]

Year	Hydro – electricity	Thermal electricity	Total production
2003 – 2004	46	64	110
2004 – 2005	49	72	121
2005 – 2006	48	82	130
2006 - 2007	51	89	140

OR

Construct a histogram, frequency polygon and frequency curve for the following data.

C I	0 -10	10 -20	20 -30	30 – 40	40 – 50	50 – 60	60 – 70	70 – 80	80 – 90
F	4	6	7	14	16	14	8	6	5

21. Calculate the standard deviation and co efficient of standard deviation of the following data set using step deviation method. [4]

Marks	0-10	10-20	20-30	30-40	40-50	50-60

Frequency	8	12	20	30	20	10

22. A. Calculate the weighted mean by weighing each price by the quantity consumed. [6]

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

B. Differentiate between

      a. Exclusive series and inclusive series

      b. Variable and attribute

23. Calculate Karl Pearson's coefficient of co relation of the following data using assumed mean [6]
method.

X	23	27	28	29	30	31	33	35	36	39
Y	18	22	23	24	25	26	28	29	39	32

24. A. Define index number. Explain the main characteristics of index number. [6]

B. Calculate weighted average of price relative index from the following data.

Items	Weights (in %)	Base year price (in ₹)	Current year price(in ₹)
A	40	2	4
B	30	5	6
C	20	4	5
D	10	2	3

OR

Construct the index number of prices of the items in the year 2005 from the following data using
weighted aggregative method

Articles	1998 [Base year]		2005 [Current year]	
	Quantity	Price (₹)	Quantity	Price(₹)
A	10	10	20	25
B	35	3	40	10
C	30	5	20	15
D	10	20	8	20
E	40	2	40	5

*****************THE END***************