



INDIAN SCHOOL SOHAR
TERM 1 EXAMINATION (2019 – 2020)
ECONOMICS [030]

CLASS: XI**DATE: 19/09/2019****MAX MARKS: - 80****DURATION: - 3HRS****General Instructions:-**

- 1) All questions in both the sections are compulsory.
- 2) Marks for questions are indicated against each question.
- 3) Answer should be brief and to the point and the above word limit should be adhered to as far as possible.
- 4) Attempt all parts of a question together.
- 5) Questions 1 - 10 and 18 -27 are very short-answer questions carrying 1 mark each. They are required to be answered in one sentence each.
- 6) Questions 11 – 12 and 28 -29 are short answer questions carrying 3 marks each. Answer to them should not exceed 75 words each.
- 7) Questions 13 - 15 and 30 - 32 are also short answer questions of 4 marks each. Answer to them should not exceed 90 words each.
- 8) Questions 16 - 17 and 33 - 34 are long answer questions of 6 marks each. Answer to them should not exceed 200 words each.

SECTION A: INTRODUCTORY MICRO ECONOMICS

1. In a free capitalist economy, central problems are solved by [1]
 - a. the government
 - b. the Planning commissions
 - c. the price mechanism
 - d. the big capitalist

2. Which of the following is a statement of normative nature in economics? [1]
 - a. Economics is study of choices/alternatives.
 - b. Government should be concerned with how to reduce unemployment
 - c. According to an estimate, in spite of severe shortage, more than 10% of houses in Indian cities are lying vacant.
 - d. Accommodation of Refugees is posing a big problem for the Europe

3. The measure of price elasticity of demand of a normal good carry minus sign while price elasticity of supply carries plus sign. Explain why? [1]

4. Good X and good Y are complementary goods while Good X and Good Z are substitute goods. [1]
 What will happen to good Y and good Z if price of good X increases?
 - a. The demand for Good Y will increase and for Good Z will decrease.
 - b. The demand for Good Y will decrease and for Good Z will increase.
 - c. The demand for Good Y will increase and for Good Z will increase.

- d. The demand for Good Y will decrease and for Good Z will decrease
5. Price elasticity of demand of easily available substitute goods is [1]
- $E_d > 1$
 - $E_d < 1$
 - $E_d = 1$
 - $E_d = \infty$
6. Downward movement along the supply curve indicates [1]
- Expansion of supply
 - Contraction of supply
 - Increase in supply
 - Decrease in supply
7. When 15% increase in price of the commodity causes 10% increase in the quantity supplied, [1]
then elasticity of supply is
- Elastic
 - In elastic
 - Perfectly elastic
 - Perfectly inelastic
8. Demand function means: [1]
- Functional relationship between demand and the factors affecting demand.
 - Technical relationship between demand and the factors affecting demand.
 - Financial relationship between demand and the factors affecting demand.
 - Both functional and technical relationship between demand and the factors affecting demand.
9. The opportunity cost of watching a movie will be equal to [1]
- the time lost while watching the show.
 - the amount paid to buy the ticket.
 - the pleasure enjoyed in watching the show.
 - the pleasure that could have been enjoyed in watching TV instead.
10. The Government of India decided to produce 1000 quintals of wheat this year. The decision [1]
regarding quantity of production is a part of which central problem of the economy:
- What to produce.
 - How to produce.
 - For whom to produce.
 - None of the above.

11. Why is there is an inverse relationship between price and quantity demand? [3]
12. Define Marginal Rate of Transformation. Explain with a numerical example. [3]

OR

Production in an economy is below its potential due to unemployment. Government starts employment generation schemes. Explain its effect using production possibilities curve.

13. Explain with the help of a schedule and diagram the difference between change in quantity demanded and change in demand. [4]
14. Explain the law of supply. Use diagram and schedule to justify the law. What are the exceptions to the law of supply? [4]
15. Define monopoly. Describe the various ways in which a monopoly market structure may arise. [4]

OR

Giving reasons, distinguish between the behaviour of demand curves of firms under perfect competition and monopolistic competition.

16. Distinguish between collusive and non-collusive oligopoly. Explain how the oligopoly firms are interdependent in taking price and output decisions? [6]

OR

Explain the implications of the following

- A. Homogeneous products in perfectly competitive market.
- B. Differentiated products under monopolistic competition.

17. A. How does the increase in the number of firms in a market affect the market supply curve? [6]
- B. The price elasticity of good X is half the price elasticity of supply of Good Y. A 10% rise in the price of Good Y results in a rise in its supply from 400 units to 520 units. Calculate the percentage change in quantity supplied of good X when its price falls from ₹ 10 to ₹ 8 per unit.

SECTION B: STATISTICS FOR ECONOMICS

18. The two important function of classification are [1]
- a. scrutiny and editing of data
 - b. forming trends and tendencies
 - c. reducing bulk data and facilitating comparison
 - d. presentation and interpretation of data.
19. Drawing a lottery uses [1]
- a. Random sampling
 - b. Quota sampling
 - c. Purposive sampling
 - d. Cluster sampling

20. Exit poll that shows the chances of winning the number of seats by different parties in 2014 Lok Sabha election shown on T.V. by some channels for the viewer is [1]
- primary data
 - secondary data
 - discrete data
 - continuous data
21. An advertisement agency mailed 100 questionnaires to the viewers to know the impact of the advertisement. It received only one questionnaire back. It is not possible to apply statistics because [1]
- It does not deal with quantitative data.
 - It is not confidential.
 - The answers replied is not clear.
 - It does not deal with single result.
22. The process of converting raw materials into goods is called [1]
- exchange
 - production
 - saving
 - investment
23. NSSO provides periodic estimates of [1]
- literacy and utilisation of education services.
 - Marks secured by students in a government school in Haryana.
 - Number of books purchased by the household.
 - Educational qualification of the Prime Minister of India.
24. The difference between upper limit and lower limit of a class is known as [1]
- Range
 - Cumulative frequency
 - Class limit
 - Magnitude
25. Average income of 50 families is ₹ 3000. Of these, the average income of 12 families is ₹ 1800. [1]
The average income of the remaining families is
- ₹ 2590
 - ₹ 3379
 - ₹ 2900
 - ₹ 3500

26. Which of the following cannot be calculated by graphic method? [1]
- Mean.
 - Mode
 - Median
 - Quartile
27. What is the shape of "less than ogive"? [1]
- rising upwards
 - falling downwards
 - parallel to Y axis
 - parallel to X axis
28. How is statistics important in Economics and economic planning? [3]
29. Define classification. Explain the main objectives of classification. [3]

OR

The monthly salary of some families in a society is given below.

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

- What is the lower limit of the second-class interval?
 - What is the upper limit of the last class interval?
 - What is the class size of each class interval?
 - What is the mid value of the third-class interval?
 - How many families earn ₹ 50,000 or more in a month?
 - How many families earn less than ₹ 20,000 in a month?
30. From the following information calculate [4]
- Which factory pays more wages?
 - What is the combined mean?

	Factory A	Factory B
No. of workers	100	150
Average daily wages	₹ 2.50	₹ 2.00

31. Calculate mode of the following distribution. [4]

Class	Below 15	Below 20	Below 25	Below 30	Below 35	Below 40	Below 45
Frequency	3	10	26	38	47	52	55

32. Following table shows results of Lok Sabha General Elections 2014. [4]

PARTY	BJP	INC	AIADMK	BJD	S SENA	TMC	T DESAM	OTHERS	TOTAL
Seats	282	44	37	20	18	34	16	92	543

A. Draw a bar graph showing share of individual parties.

B. Draw a pie chart showing share of individual party.

33. Differentiate between [6]

A. Direct personal investigation and indirect oral investigation.

B. Census method and sample method of statistical enquiry

34. Following information relates to the daily wages of workers employed in a firm calculate: [6]

A. Highest income of the lowest 50% of workers.

B. Minimum income earned by top 25% of workers.

C. Maximum income earned by lowest 25% of workers.

Wages (in ₹)	10 – 14	15 – 19	20 – 24	25 - 29	30 - 34	35 – 39
Workers	5	10	15	20	10	5

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