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INDIAN SCHOOL SOHAR
UNIT TEST II (2024 – 2025)
ECONOMICS (030) [SET1]

STD: - XI **MAX MARKS: - 20**
DATE: - 14/01/ 2025 **TIME: 40 MINUTES**

General Instructions: -

1. All questions are compulsory.
2. Answers to questions carrying 1 mark may be from one word to one sentence.
3. Answers to questions carrying 3 marks may be from 50 – 75 words.
4. Answers to questions carrying 4 marks may be about 150 words.
5. Answers to questions carrying 6 marks may be about 200 words.

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1. Supply being perfectly inelastic, what will be the effect of increase or decrease in demand on price and equilibrium quantity? [1]
   - A. Price increases or decreases respectively
   - B. No effect on equilibrium quantity.
   - C. Both A and B
   - D. None of these

   OR

   Increase in the income of the buyers in case of an inferior good will cause.
   - A. Fall in equilibrium price and quantity
   - B. Fall in equilibrium price and quantity to rise
   - C. rise in equilibrium price and quantity
   - D. rise in equilibrium price and quantity to fall

2. Identify the correctly matched items from Column I to that of Column II: [1]

Column I	Column II
a) This table presents more than one characteristic of the data	I. Complex table
b) This table presents only one characteristic of the data	II. Multidimensional table
c) This table shows the nature of the data collected	III. Two-way table
d) This table shows the data derived from another table	IV. Original table

Alternatives:
   - A. a) – i
   - B. b) – ii
   - C. c) – iii
   - D. d) – iv

3. If the values of two variables move in the same direction, ____________ [1]
   - A. The correlation is said to be non-linear
   - B. The correlation is said to be negative
   - C. The correlation is said to be linear
   - D. The correlation is said to be positive

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.

OR

Identify the correct alternatives given in Column II by matching them with respective items in Column I.

Column I	**Column II**
a) Short period	i. So long as MP > AP
b) Marginal Product increases	ii. Production capacity remains constant
c) Long run production function	iii. Stage of increasing returns
d) Increasing AP	iv. Factor ratio does not change with change in volume of output.

Alternatives:

A. a) -ii, b) - iii, c) – iv, d) - i

B. a) -ii, b) - iv, c) – iii, d) - i

C. a) -i, b) - iii, c) – iv, d) - ii

D. a) -ii, b) - iii, c) – i, d) - iv

5. Calculate the coefficient of rank correlation between the marks in Economics and accountancy as indicated by 8 answer books of each of two examiners. [3]

Marks in Economics	15	10	20	28	12	10	16	18
Marks in Accountancy	40	30	50	30	20	10	30	60

6. It is expected that replacement of all existing taxes on Good X by the proposed single GST will bring down overall tax on Good X. Explain the effect on equilibrium price and equilibrium quantity of Good X. Use diagram. [3]

OR

Using supply and demand curves, show how an increase in the price of shoes affects the price of a pair of socks and the number of pairs of socks bought and sold.

7. Tabulate the given data. [4]

A total number of 1890 women were interviewed for jobs in a chemical company. Out of the total applicants, 450 were from textile areas and the rest from non-textile areas. Amongst the married women who belonged to textile areas, 310 were experienced and 60 were inexperienced, while from the non-textile areas, the corresponding figures were 250 and 320. The total number of inexperienced women was 1250, of whom 80 resided in textile areas. Of the total number of women, 950 were unmarried and of those, the number of experienced women in the textile and non-textile areas was 60 and 20, respectively.

8. Define the law of returns to factor? What are the different phases in the law of variable proportions in terms of Total Product and marginal product? Give reason behind each phase. Use Diagram. [6]