SPECTRA CLASSES
SUBJECT-ECONOMICS
CLASS-XI

TIME-3 Hrs.   M.M-80

GENERAL INSTRUCTIONS:

- This question paper contains two sections:
    - Section A – Micro Economics
    - Section B – Statistics
- This paper contains 20 Multiple Choice Questions type questions of 1 mark each.
- This paper contains 4 Short Answer Questions type questions of 3 marks each to be answered in 60 to 80 words.
- This paper contains 6 Short Answer Questions type questions of 4 marks each to be answered in 80 to 100 words.
- This paper contains 4 Long Answer Questions type questions of 6 marks each to be answered in 100 to 150 words.

	MICRO ECONOMICS	
1.	If the MRSxy for individual A exceeds the MRSxy for individual B, it is possible for individual A to gain by giving up: a) X is exchange for more Y from B b) Y in exchange for more X from B c) Either X or Y d) None of the above	(1)
2.	Sudhir says, "Cotton textile industry is a macro economic study". Sanjay counters him that it is a microeconomic study. Their teacher Omji says that Sanjay is correct. Justify.	(1)
3.	Now-a day's E-newspapers have become popular therefore supply of hard copies of newspapers reduced. Identify the factor responsible for reduced supply. a) Cost of production b) Price of the factors of production c) Government policy d) State of technology	(1)
4.	A person invests his own savings to start a business and employs a manager to look after it. Identify implicit and explicit cost from this information.	(1)
5.	The price of tomatoes increases and people buy more tomato puree. You can infer that tomato puree and tomatoes are_____ (fill the correct option) Normal goods Complementary goods Substitute goods Inferior goods	(1)
6.	**The market type which is known as perfect competition is _____.** a. Highly competitive and companies find it challenging to earn economic profits in the long run b. Almost free from competition and companies earn large profits	(1)

	c. Marked by firms continuously trying to upgrade their products so that buyers prefer their products to that of their competitors' d. Dominated by fierce advertising campaigns	
7.	As the variable input is increased by one-unit, total output falls. What would you say about marginal productivity of labour?	(1)
8.	Which of the following statements about price ceiling is accurate? (a) An effective price ceiling must be at a price more than the equilibrium price. (b) Price ceiling will increase the quantity of good supplied. (c) An effective price ceiling must be at a price below the equilibrium price. (d) Price ceiling will decrease the quantity demanded.	(1)
9.	If total revenue is ₹ 1,00,000 when ₹ 20,000 units are sold, then average revenue is equal to: a) ₹1,00,000 b) ₹20,000 c) ₹5 d) ₹1,20,000	(1)
10	Degradation of technology will have the following effect on the supply curve. 	(1)
11	Suppose the demand for jeans increases. At the same time, because of an increase in price of cotton, the supply of jeans decreases. How will it affect the price and quantity sold of jeans? (Assuming increase in demand is less than decrease in supply).	(3)
12	A perfectly competitive firm faces market price equal to ₹ 15. Derive its TR schedule for range of output from 0 to 10 units. Suppose, market price increases to ₹ 17. Will the new TR curve be flatter or steeper?	(3)
13	i)On 22nd December 2014, the following news was printed in the Economic Times: **"Narrow petrol-diesel price gap and higher price of diesel cars alter the buyer's preference."** Explain this statement linking it to the concept of elasticity of demand. ii) As the price of peanut packets increases by 5 %, the number of peanut packets demanded falls by 8%. What is elasticity of demand for peanut packets?	(4)
14	Xiaomi, Realme, Samsung and other mobile phone brands are constantly launching new smartphones in India. While they try to be as aggressive as possible on the prices, the	(4)

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Indian government has raised the goods and services tax (GST) on mobile phones forcing the companies to increase the prices of the smartphones or reduce their profit margins. At the 39th GST Council, the GST rate on mobile phones has been raised from 12 percent to 18 percent. "Mobile phones and specified parts to attract 18% versus 12%. All other items, if there's a need to calibrate the rates, to remove the inversion, we can take them up at future, the examination of that can happen at a later time," said finance minister. Nirmala Sitharaman.

    i.   What will be the impact of rise in GST on supply of mobile phones? (Choose the correct alternative)
     a) Rightward shift in supply curve
     b) Leftward shift in supply curve
     c)   Expansion of supply
     d)   Contraction of supply

    ii.   Which of the following factors affects the supply of mobile phones? (Choose the correct alternative)
     a) State of technology
     b) Taxation policy
     c) Government policy
     d) All of the above

    iii.   Increase in the price of the mobile phones will lead to (Choose the correct alternative)
     a) Expansion of supply
     b) Increase in supply
     c) Contraction in supply
     d) None of these

    iv.   Which one of the following is the result of increase in price of factors of production? (Choose the correct alternative)
     a) Rightward shift in supply curve
     b) Leftward shift in supply curve
     c)   Expansion of supply
     d)   Contraction of supply

15 i) Complete the following table: (4)

Units consumed	Total Utility (TU)	Marginal Utility (MU)
1	9	--------
2	-------	7
3	-------	6
4	27	--------
5	-------	2
6	27	--------

	ii)On the consumption of 10 units of a commodity, a consumer finds that rupee worth of Mux has exceeded the marginal utility of money. Should he not reduce the consumption of X so that he strikes an equilibrium? Give reason in support of your answer.	

16	Answer the following questions:
	    a) Why does AFC curve never touch the X -axis?
	    b) Why does TVC curve start from origin?
	    c) Why AC, AVC and MC curves are U -shaped?
	    d) Why the gap between TC curve and TVC curve remains constant with rise in output?
	    e) Why does AC curve lie above the AVC curve?
	    f) Why does TC curve and TFC curve start from the same point above the origin?
		(6)

17	**Identify and explain** the different output levels which mark the different phases of operation of law of variable proportion from the following data: 	Units of labour inputs	0	1	2	3	4	5
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Total product(units)	0	8	20	28	28	20		(6)

STATISTICS

18	The mean of 12 numbers is 24. If 5 is added to every number, the new mean is:
	    a) 25
	    b) 84
	    c) 29
	    d) None of these
		(1)

19	Read the following statements-Assertion (A) and Reason (R). Choose one of the correct alternatives given below: **Assertion (A):** Statistics cannot calculate the qualitative aspects of economics. **Reason (R):** Qualitative aspects are the aspects that influence the working of an economy, though cannot be expressed in terms of money. **Alternatives:** (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A) (c) Assertion (A) is true but Reason (R) is false (d) Assertion (A) is false but Reason (R) is true	(1)

20	An index number which accounts for the relative importance of items is known as:
	    a) Weighted index
	    b) Simple aggregative index
	    c) Simple average of relative index
	    d) None of these
		(1)

21	_____gives information about secondary data used in a table. Head note Foot note Source note Title	(1)

22	Exit Poll that shows the chances of winning the number of seats by different parties in 2019 Lok Sabha election shown on T.V. by some channels, for the viewer is
	    a) Primary data
	    b) Secondary data
	    c) Continuous data
	    d) Discrete data
		(1)

23	If the value of one variable is decreasing and the value of the other variable is also decreasing in the same ratio, is it the case of perfect negative correlation? If not, what shall be the value of the coefficient of correlation.	(1)

24	Which of the following statements is not true about median?
	    a) Median is not influenced by extreme items
	    b) Median is not suitable measure of central tendency in case of quantitative data
	    c) Median is based on all the items
	    d) Median can be computed in open -ended distribution.
		(1)

25	Name the type of presentation to which the following example relates. 40% of India's population lives below the poverty line and top 20% population commands 70% of the national income.	(1)

26	Which of the following statements is/are correct about average prices if the price index is 110?
	    a) The prices have increased by 10 percent
	    b) The prices have increased by 110 percent
	    c) The prices have decreased by 10 percent
	    d) None of the above
		(1)

27	State whether the given statement is true or false (**with reason**): Establishing a dairy for producing milk products for consumers which turns to be a method of earning wealth is an example of economic activity.	(1)
28	The following series relates to the daily income of workers employed in a firm. Compute highest income of lowest 50 % workers.	(3)

Daily income (in ₹)	Number of workers
10-14	5
15-19	10
20-24	15
25-29	20
30-34	10
35-39	5

Or

	There are 80 students in Silver Bells School who play cricket. A city level tournament has been organised and the school is required to send its team to play in the tournament. The sports teacher, Mr. Murthy, decided to select 14 players ;11 regular and 3 substitutes. Should he select the team randomly? Explain disadvantages of selecting random sample.	
29	The following results are obtained regarding two series. Compute coefficient of correlation, when sum of products of deviations from X and Y series from their respective mean is 122.	(3)

	X series	Y series
Number of items	15	15
Arithmetic mean	25	18
Standard deviation	3.01	3.03

30	The following table shows production of rice and wheat in India during 2007-08 to 2010-11. Present the following data in a sub divided bar diagram.	(4)

Year	Rice	Wheat	Total production
2007-08	46	64	110
2008-09	49	72	121
2009-10	48	82	130
2010-11	51	89	140

31	Construct a frequency polygon without using histogram for the following data:	(4)

Wages (in ₹)	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80
No. of workers	10	18	35	30	20	12	8	3

32	Read the following table carefully and answer the following questions:	(2)

Item	Price in 2011	Price in 2022
Food	100	200
Clothing	20	25
Fuel & lighting	15	20
House rent	30	40
Miscellaneous	35	65

   i.   The consumer price index measures changes in:
  a) Retail prices
  b) Wholesale prices
  c) Producer prices
  d) All of the above

  ii.   Can the consumer price index for urban employees represent the changes in the cost of living of the President of India?

  iii.   Calculate price relative index for clothing and food.

33	The following table shows the distribution of 105 families according to their expenditure per week. Number of families corresponding to the expenditure groups ₹10-20 and ₹30-40 are missing from the table. The median and mode for the distribution are ₹25 and ₹24 respectively. Calculate the missing frequencies.						(6)

Expenditure (in rs)	0-10	10-20	20-30	30-40	40-50
No. of families	14	?	27	?	15

34	Calculate coefficient of rank correlation from the following data.:										(6)

X	48	33	40	9	16	16	65	24	16	27
Y	13	13	24	6	15	4	20	9	6	19