	INDIAN SCHOOL AL WADI AL KABIR	

SAMPLE PAPER -1

Class: XI **ECONOMICS (030)** **M.M: 80**

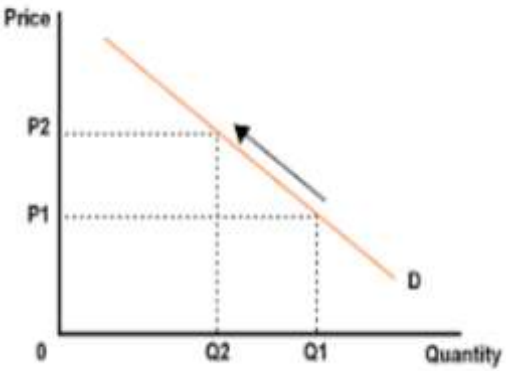|	SECTION A: STATISTICS	
1	The class midpoint is equal to: a. Average of the upper-class limit and the lower-class limit. b. Product of the upper-class limit and the lower-class limit. c. Ratio of the upper-class limit and the lower-class limit. d. None of the above OR The raw data can be grouped according to time. Such a classification is called _____ classification.	1
2	What is the purpose of a survey?	1
3	Fill in the blanks: Our wants are _____, but the resources used in the production of the goods which satisfy our wants are limited and scarce, So _____ is the root cause of all economic problems.	1
4	Explain the following property of arithmetic mean with example: The sum of deviations of items from arithmetic mean is always equal to 0.	1
5	Which correlation coefficient indicates strongest relationship? a. r = 0.4 b. r = 0.8 c. r = 0.09 d. r = 0.2	1
6	If a company is interested to know how its sales and profits have fluctuated over the years which of the following it should prepare? a. Bar Diagram b. Pie Diagram c. Histogram d. Arithmetic line graph	1
7	An index numbers is used to measure changes in: a. Quantity only b. Demand only c. A variable over time d. Price only	1
8	If the coefficient of correlation is positive, a change in with one variable is associated with change in the other variable in the opposite direction. True or False? Justify.	1
9	When the variables cannot be measured precisely, _____ can be used to calculate correlation: a. Scatter diagram b. Karl Pearson's correlation coefficient c. Spearman's correlation coefficient d. All of the above	1

10	Which index number is used for calculating the purchasing power of money and real wage?	1

| 11 | Locate Median of the following distribution: | 3 |

Variable	10	11	12	13	14	15	16
Frequency	8	15	25	20	12	10	5

12 Calculate weighted price relatives index from the following data: 3

Commodity	Weight in % (W)	Price in 2015 (Rs)	Price in 2019 (Rs)
A	40	2	4
B	30	5	6
C	20	4	5
D	10	2	3

OR

Calculate Fisher's Ideal Price Index:

Commodity	Base period Price	Base period Quantity	Current period Price	Current period Quantity
A	2	10	4	5
B	5	12	6	10
C	4	20	5	15
D	2	15	3	10

13 Calculate Spearman's coefficient between marks of 10 students in Mathematics and English. Interpret the result.   4

Marks in Mathematics: 52   53   42   60   45   41   37   38   25   27

Marks in Economics: 65   68   43   38   77   48   35   30   25   50

14   a. Construct a histogram from the following distribution of total wages obtained by 50 workers in a factory and prepare a frequency polygon and a frequency curve: 4

Daily wages	500	600	700	800	900
No. of workers	5	10	19	11	3

OR

a. What kind of diagrams are more effective in representing the following:
   i.   Monthly rainfall in a year
   ii.   Composition of population in Oman in terms of religion
   iii.   Components of cost in a factory
   iv.   Production of Wheat in 5 states in a particular year.
b. Explain the following parts of the table:
   i. Caption   ii. Stub   iii. Body   iv. Title

15	Calculate Simple aggregative price index and Simple average of price relative index from the following data:	4

Commodity	Price in base year (Rs)	Price in current year (Rs)
Rice	120	180
Wheat	80	100
Oil	300	400
Pulses	130	180
Sugar	150	200

16	Calculate Standard deviation from the following data:	6

Weight	20-40	40-80	80-100	100-120	120-140
Frequency	3	6	20	12	9

17 Calculate the Correlation between years of schooling for farmers and the annual yield per acre (in Rs 1000)   **6**

No. of years of schooling of farmers	Annual yield per acre (in Rs 1000)
0	4
2	4
4	6
6	10
8	10
10	8
12	7

OR

Write true or false and justify.
a. If r=0, there is no relation between the two variables.
b. Coefficient of correlation has no unit.
c. All the properties of the simple correlation coefficient are applicable to rank correlation coefficient.
d. The correlation coefficient between marks secured in English and Maths is 0.1. It means strong correlation between the two.
e. The correlation coefficient between marks secured in English and Hindi are 0.9. It implies very less correlation.
f. The magnitude of r is unaffected by the change of origin and the change of scale.

SECTION B; MICRO ECONOMICS

18	When demand for a commodity is perfectly inelastic, an increase in price by 2% leads to increase in quantity by _____.	1
	a. 10%	
	b. 0%	
	c. 3%	
	d. 2%	
19	What are the two conditions of equilibrium for two commodities X and Y following cardinal utility theory?	1
20	What does the law of variable proportion show?	1
21	A consumer consumes only two goods, X and Y and is in equilibrium. The prices of X & Y are Rs.10 and Rs.20 respectively and the marginal utility of good Y is 50 units. What will be the marginal utility of good X?	1
	a. 100 units	
	b. 25 units	
	c. 250 units	
	d. 4 units	
	OR	
	D represents a demand curve. The arrow indicates upward movement along the same demand curve. This is: a. Contraction of demand b. Expansion of demand c. Increase in demand d. Decrease in demand	
22	Why does AFC curve never touch X-axis?	1

23	Define total opportunity cost.	1
24	How does an increase in number of firms affect the market supply curve?	1
25	A firm is able to sell any quantity of a good at a given price. The firm's marginal revenue will be: a. Greater than average revenue b. Less than average revenue c. Equal to average revenue d. 0	1
26	The average cost of producing 5 units is Rs.6 and the average cost of producing 6 units is Rs.5. What will be the marginal cost of the sixth unit?	1
27	In case resources of an economy are destroyed by war, PPC will: a. Shift rightwards b. Shift leftwards c. Rotate along X axis d. Rotate along Y axis	1
28	Distinguish between normal good and inferior good with examples. **OR** Coffee and milk are complimentary goods. How does the decrease in price of coffee affect the demand of the milk? Explain with a diagram.	3
29	a. State the Law of variable proportion. b. Show the three phases of diminishing return to the factor with a neatly labeled diagram.	3
30	On the basis of the following information, calculate the firm's equilibrium output in terms of marginal revenue and marginal cost. Also calculate profit at this output.	4

	Output (Units)	Total Revenue (Rs)	Total Cost (Rs)
	1	8	9
	2	14	15
	3	16	19
	4	26	25
	5	32	32

| 31 | A consumer consumes only two goods X and Y. His money income is Rs.200 and the prices of foods X and Y and Rs.40 and Rs.20 respectively.
 a. Write two such combinations of X and Y which lie on the budget line.
 b. Write two such combinations of X and Y which are part of his budget set but do not lie on his budget line.
 c. What is the equation of budget line and its slope?
 d. Can the consumer afford a bundle 4X and 5Y? Explain.
 e. What will be the MRS when the consumer is in equilibrium? Explain.
OR
 i. How does MRS impact the shape of indifference curve?

 ii. Mr. X consumes two commodities whose prices are Rs 4 and Rs 2 respectively. What will be the value of MRS if the consumer is in equilibrium? | 4 |

32	Explain with the help of a diagram the effect on equilibrium price and quantity when demand is perfectly elastic and supply increases.	4
	OR	

	Discuss the following two features of perfect competition and their implications:
	    i. Innumerable number of buyers and sellers
	    ii. Homogenous products	

33	State giving reasons whether the following statements are true or false:
	    a. If the goods X and Y are substitutes, a rise in price of X will result in rightward shift in demand curve Y.
	    b. If a fall in price of good X leads to a rise in demand for good Y, then X & Y are substitute goods.
	    c. The demand for a good always increases with increase in price of other goods.
	    d. Demand for a good always increases with the increase in income of its buyers.
	OR
	    a. Define price elasticity of demand.
	    b. Arrange the following coefficients of price elasticity of demand in ascending order: -0.87, -0.53, -3.1, -0.80.
	    c. Explain the reason behind the negative sign of the price elasticity of demand.
	    d. When price of commodity X falls by 10%, its demand rises from 150 units to 180 units. Calculate its price elasticity of demand. How much would be the % fall in its price so that its demand rises from 150 to 210 units?
		6

34	Explain the following with diagram in the context of market equilibrium:
	    i. Price floor
	    ii. Price ceiling
	    iii. Also outline what are the steps necessary for the Government to take to ensure the effectiveness of price floor or price ceiling.
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