



विद्या सर्वार्थ साधिका

ANANDALAYA
PERIODIC TEST- 2
Class : XI

Subject : Economics
Date : 26-09-2022

M.M : 80
Time : 3 hours

General Instructions:

1. Please check that this question paper contains 44 questions.
2. All the questions are compulsory.
3. Marks for questions are indicated against each question.
4. One mark questions are required to be answered in one sentence each.
5. Three marks questions should be answered in about 60 words each.
6. Four marks questions should be answered in about 70 words each.
7. Six marks questions should be answered in about 100 words each.

SECTION A: MICROECONOMICS

1. When total expenditure increases in response to decrease in own price of the commodity, the elasticity of demand is _____. (1)
(A) one (B) less than one
(C) zero (D) greater than one
2. 'Fit India Movement' launched by the Government of India will lead to _____. (1)
(A) Leftward shift in PPC (B) Rightward shift in PPC
(C) No change in PPC (D) Forward rotation on X- axis of PPC
3. Read the following statements-Assertion and Reason and choose one of the correct alternatives given below: (1)
Assertion: Matchbox has inelastic demand.
Reason: The consumer has to spend a very small proportion of his income on matchbox.
Alternatives:
(A) Both Assertion and Reason are true and Reason is the correct explanation of Assertion.
(B) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion.
(C) Assertion is true but Reason is false.
(D) Assertion is false but Reason is true.
4. When percentage change in the quantity demanded is more than the percentage change in price, the demand for such a commodity is said to be _____. (1)
5. A negative sign with coefficient of price elasticity of demand denotes _____ relation between price and quantity demanded. (1)
6. _____ is the cost of next best alternative forgone. (1)

On the basis of the given information, answer question no. 7 and 8:

A consumer has total money income of ₹ 250 to be spent on two goods X and Y with prices of ₹ 25 and ₹ 10 per unit respectively.

7. Give the equation of the budget line for the consumer. (1)
8. What is the value of slope of the budget line? (1)

9. Suppose price of a commodity X is given as ₹ 5 and MU is given as follows: (1)

Units	1	2	3	4
MU (₹)	12	9	5	3

How many units should the consumer purchase, so that his satisfaction is maximum? Give reason.

10. Demand for product X is perfectly inelastic. What will be the change in demand if price falls from ₹ 10 per unit to ₹ 5 per unit? (1)

Read the following news report and answer Questions 11--13 on the basis of the same:

India's gold demand tanks 18% to 135.5 tonnes in Jan-Mar 2022 on sharp rise in prices: World Gold Council

India's gold demand declined 18 per cent to 135.5 tonnes in the first three months of this year, mainly due to a sharp rise in prices, according to the World Gold Council (WGC). The demand stood at 165.8 tonnes in the first three months of 2021.

In terms of value, gold demand dropped 12 per cent to Rs 61,550 crore in the January-March period. It stood at Rs 69,720 crore in the year-ago period, the 'Gold Demand Trends Q1 2022' report released by the WGC said. WGC Regional CEO, India, Somasundaram P R told PTI that gold prices began rising in January, increasing by 8 per cent to Rs 45,434 per 10 grams (without taxes) in the first quarter of this year, mainly due to geopolitical tensions.

In comparison, the prices were at around Rs 42,045 crore in January-March 2021 period. As per the report, total jewellery demand in the country during the latest March quarter fell 26 per cent to 94.2 tonnes. It was at 126.5 tonnes in the same period last year.

Further, he said that fewer auspicious days coupled with a sharp rise in gold prices meant fewer weddings and a pause in retail demand, with households postponing gold buying in anticipation of a price correction.

Source: <https://www.financialexpress.com>, April 28, 2022

11. "India's gold demand declined 18 per cent to 135.5 tonnes in the first three months of this year, mainly due to a sharp rise in prices" (1)
The given statement represents the situation of _____.
(A) Expansion in demand (B) Contraction in demand
(C) Increase in demand (D) Decrease in Demand
12. If households expect the price of gold to fall in the near future, the present demand of gold (1)
_____.
(A) also falls (B) rises
(C) does not change (D) may rise or fall
13. Generally it is observed that people demand more gold during wedding season in India due to favourable change in their preferences. Assuming other factors constant, what will be its likely impact on the demand curve of gold? (1)
(A) Upward movement (B) Downward movement
(C) Rightward shift (D) Leftward shift

Read, the following Case Study carefully and answer the questions 14- 16 on the basis of the same.

The ordinal utility approach is a school of thought that believes that utility cannot be measured quantitatively, i.e. utility is not additive rather it could only be ranked according to preference. The consumer must be able to determine the order of preference when faced with different bundles of goods by ranking the various 'baskets of goods' according to the satisfaction that

each bundle gives. Situations can arise when a consumer consumes large number of goods, the consumer may substitute one commodity for another and still be on the same level of satisfaction. As the consumer increases the consumption of one of the commodities, he must reduce the consumption of the second commodity and vice versa, to maintain the same level of satisfaction.

-Amaka G. Metu, The Theory of Consumer Behaviour: Ordinal Utility Analysis, 2017

14. Indifference curves are convex to the origin because of _____ . (1)
 (A) Increasing MRS (B) Decreasing MRS
 (C) Constant MRS (D) Increasing MRT

For Questions 15 and 16, read the following statements carefully and choose the correct alternatives given below:

- (A) Both the statements are true.
 (B) Both the statements are false.
 (C) Statement 1 is true and Statement 2 is false
 (D) Statement 2 is true and Statement 1 is false
15. **Statement 1:** Higher indifference curve represents larger bundle of goods, which means more utility because of monotonic preferences. (1)
Statement 2: Only one indifference curve can pass through a given point on an indifference map.
16. **Statement 1:** According to Ordinal Utility Approach, utility derived from consumption of goods and services can be numerically estimated. (1)
Statement 2: Indifference curve slopes downwards.
17. Define Production Possibility Curve (PPC). Explain why it is downward sloping from left to right. (3)
18. Explain the central problem of 'How to produce?' (3)
19. Mr. Aman consumes only two goods X and Y. Marginal utilities of X and Y are 10 and 8 respectively. The price of both the goods is ₹ 2 per unit respectively. Is Mr. Aman in equilibrium? What will be his further reaction? Explain. (4)
20. Distinguish between 'Expansion in demand' and 'Increase in demand' of a commodity. (4)
21. Explain the impact on the demand curve of Trousers due to change in preference of consumers in favour of Jeans. Use diagram. (4)
22. Following are the demand schedules of commodities A and B. Find the degree of elasticity of both the commodities. Which one of them has more elastic demand? (6)

Commodity A		Commodity B	
Price (₹)	Quantity demanded (units)	Price (₹)	Quantity demanded (units)
10	100	20	100
12	90	18	130

SECTION B: STATISTICS

23. Define bivariate frequency distribution. (1)

24. _____ is the difference between the largest and the smallest observations. (1)
25. State any two functions of Statistics. (1)
26. Classify the following variables as discrete and continuous: (1)
- (A) Weight of students - continuous
- (B) Number of students in a class.- discrete

27. Suppose you have to select 10 out of 50 households in a locality. You may select the households conveniently situated or the households known to you. In this case, you are using your judgement (bias) in selecting 10 households. This way of selecting 10 out of 50 households is called _____ sampling. (1)
- (A) Random (B) Non-random
- (C) Complicated (D) Simple

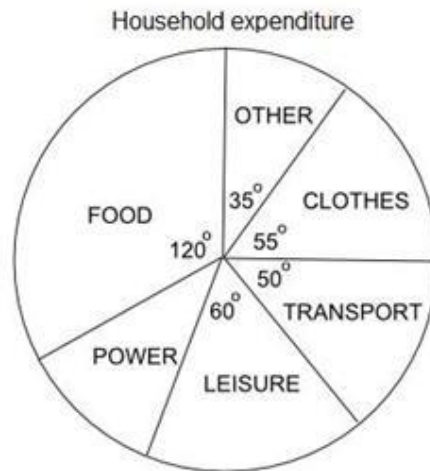
28. Identify the kind of classification presented in the following table. (1)

Indian students in different countries of the world (2021)

Country	USA	UK	Japan	Russia	Australia
Number of students	50,000	15,000	5,000	2,000	7,000

- (A) Chronological classification (B) Temporal classification
- (C) Spatial classification (D) Quantitative classification
29. For a discrete variable, the classification of its data is known as _____. (1)
- (A) Frequency Array (B) Frequency distribution
- (C) Open ended data (D) Inclusive frequency distribution
30. In chronological classification, data are classified on the basis of _____. (1)
- (A) Area (B) Time
- (C) Attributes (D) Place
31. Class interval is measured as _____. (1)
- (A) Half of the sum of lower and upper limit.
- (B) The sum of the upper and lower limit.
- (C) Half of difference between upper and lower limit
- (D) The difference between upper and lower limit.
32. Measures that help to solve an economic problem are known as _____. (1)
- (A) Policies (B) Economic data
- (D) Resources (D) Statistics
33. Read the following statements-Assertion and Reason and choose one of the correct alternatives given below: (1)
- Assertion:** Mailing questionnaire does not allow influencing of the respondents by the interviewer.
- Reason:** In mailing questionnaire mode of data collection, interviewer has the opportunity of explaining the study and answering the queries of respondents.
- Alternatives:**
- (A) Both Assertion and Reason are true and Reason is the correct explanation of Assertion.
- (B) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion.
- (C) Assertion is true but Reason is false.
- (D) Assertion is false but Reason is true.

The given pie chart shows Ankit's household expenditure in a month. Study the data represented through the pie chart and answer questions 34 & 35 on the basis of the same.



34. What degree of pie chart represents the family's income spent on power? (1)
35. What percentage of the family's income is spent on food? (1)
- (A) 120% (B) 60%
- (C) 33.33% (D) 66.66%

Read, the following Case Study, carefully and answer the questions 36-38 on the basis of the same.

Suppose, you want to know about the popularity of a film star among school students. For this, you will have to enquire from a large number of school students, by asking questions from them to collect the desired information. The data you get, is an example of primary data.

If the data have been collected and processed (scrutinized and tabulated) by some other agency, they are called Secondary Data. They can be obtained either from published sources such as government reports, documents, newspapers, books written by economists or from any other source, for example, a website. Thus, the data are primary to the source that collects and processes them for the first time and secondary for all sources that later use such data. Use of secondary data saves time and cost. For example, after collecting the data on the popularity of the film star among students, you publish a report. If somebody uses the data collected by you for a similar study, it becomes secondary data.

36. If a person collects data on gender from the census reports of the government, it is an example of _____ data for him. (1)
- (A) Primary (B) Secondary
- (C) Sample (D) First hand
37. Read the following statements-Assertion and Reason and choose one of the correct alternatives given below: (1)
- Assertion:** Primary data are original in character; hence these are not available in the form of published/ unpublished reports.
- Reason:** Data collected by the investigator for his own purpose, for the first time, from beginning to end are called primary data.
- Alternatives:**
- (A) Both Assertion and Reason are true and Reason is the correct explanation of Assertion.
- (B) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion.
- (C) Assertion is true but Reason is false.
- (D) Assertion is false but Reason is true.

38. _____ data is comparatively more time consuming and expensive. (1)
39. Give three examples each of quantitative and qualitative data. (3)
40. Distinguish between histogram and bar diagram. (3)
41. 'To construct a table, it is important to understand the parts of a good statistical table.' In the light of the above statement, explain any four essential parts of a good statistical table. (4)
42. Represent the following data relating to production of wheat with the help of a time series graph: (4)

Year	2015	2016	2017	2018	2019	2020	2021
Production of wheat (in million tonnes)	5	8	13	16	20	17	22

43. Differentiate between Census and Sample methods of data collection. (4)
44. The following data relates to the marks of thirty students in English. (6)

23	24	32	27	28	29	31	20	26	34	35	37	40	43	42
29	36	38	39	22	27	26	32	35	36	26	25	26	28	41

On the basis of the given data answer the following questions:

- (a) Prepare a frequency distribution taking class interval as 5.
- (b) How many students have scored less than 30 marks?