Class XI
Sub: Economics
Chapter 1: Introduction-Introductory Microeconomics

Competency Based Questions

1.	A growth of resources in an economy is shown in PPF by. (a) Leftward Shift (b) Unchanged PPC (c) Rightward Shift (d) None of the above
2.	. The primary assumption about resources while drawing a PPC is (a) Resources are limited (b) Resources depend on the kind of products produced (c) Resources can be put to a particular use (d) Resources are constant and given
3.	Which of the following is a statement of normative nature in economics (a) Economics is a study of choices /alternatives (b)The government should be concerned with how to reduce unemployment (c) According to the estimate, in spite of severe shortage, more than 10% of houses in Indian cities are vacant (d) Accommodation of refugees is posing a big problem for Europe
4.	What do you mean by economising of resources?
5.	Which of the following Is a type of economic activities? (a) Production (b) Consumption (c) Exchange and Investment (d) All of these

6.	Assertion (A): Tools of microeconomics are demand and supply.
	 Reason (R): Microeconomics studies the behaviour of individual units of an economy.
	    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.

7.	Assertion (A): Positive Economics avoids economic value judgments.
	 Reason (R): Positive Statements can be verified as true or false by comparing with actual data.
	
	    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

Read the following hypothetical text and answer the given questions:

Each economy has scarce resources and will have possibility of being exhausted gradually after a continuous use. Growth of resources, therefore, becomes a basic problem of the economy. It can achieve this objective through technological advancement. Under-developed countries like India, Pakistan, Thailand etc. have remained poor because of poor growth of their resources. Besides fuller utilization of resources, these countries should try to raise their productive capacities, by exploring further availability of natural resources and discovering better techniques for their use. Moreover, full use of productive capacity is also indispensable for the growth of the economy.

Since economic theory is classified into Micro and Macro Theory. Microeconomic theory deals with the allocation of resources in the market economy. In this theory, decisions regarding 'what', 'how' and 'for whom' to produce are decided on the basis of price mechanism. Goods are freely bought and sold in the market economy on an agreed price.
Macroeconomic theory deals with the fuller and efficient use of resources. It also deals with the growth of resources and problems relating saving, investment, inflation, unemployment etc. Development economics deals with the problem of growth of resources

8. Which is a central problem of an economy?
(a) Allocation of resources
(b) optimum utilization of resources
(c) Economic development
(d) all of these

9. To which factor, economic problem is basically related to:
(a) Choice
(b) Consumer selection
(c) firm selection
(d) none of these

10. Macro Economics deals with the ……………………..
(a) Allocation of resources
(b) Aggregate use of resources
(c) both (a) & (b)
(d) none of these

Answer Key:

1. C- rightward shift
2. D – Resources are constant and given
3. A - Economics is a study of choices /alternatives
4. Making optimum use of resources
5. D – all of these

6. Option b
7. Option b
8. D - All of these
9. A – choice
10. B - Aggregate use of resources

Class XI
Sub: Economics
Chapter 1: Introduction-Statistics for Economics

Competency Based Questions

1.	With regard to distrust of statistics which of the following statements is not correct? a) Statistics are rainbows of lies b) Statistics are tissues of falsehood c) Statistics express the facts in numbers d) None of the above.
2.	Read the following statements: Assertion (A) and Reason (R).Choose one of the correct alternatives given below. Assertion (A): Statistics simplifies complex data. Reason(R): Statistics presents the data in a definite form. 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.
3.	State whether the following statements are true or false with reason: a. Statistics can only deal with quantitative data. b. Statistics solves economic problem. c. Statistics is of no use to economics without data.
4.	Among the following statements which cannot be considered as statistics: a) Average height of the 26-plus male people in India is 6 feet as compared 5 feet in Nepal b) A young lady was run over by speeding truck at 100 km. per hour. c) Birth rate in India is 18 per thousand compared to 8 thousand in USA. d) Over the past 10 years, India has won 60 test matches in cricket and lost 50.
5.	"It deals with Collection, Presentation, Analysis and Interpretation of Quantitative Information." This statement defines a) Statistics in Plural Sense b) Statistics in Singular sense c) Both a and b d) None of these.
6.	Read the following passage and answer the question Statistics plays an important role in the field of Economics. It is an important tool which helps in solving different economic problems. Statistics helps in economic planning by collecting data of natural resources. For drawing a plan of their use we need the help of statistics. Statistics helps in analysing economic problems which needs immediate attention. Identify the incorrect statement- a) Statistics finds economic relationships using data and verifies them. b) Statistics provides tools which are used to predict the future.

	c) Statistical methods are used to analyse economic problems. d) Statistics deals with only qualitative data.	
7.	It may be impossible for us to memorise the data on the incomes of hundreds of people but if we know the average income then it will be easy to remember. In this statement about which important characteristics we are talking about- a) Statistics helps in finding the relationship between two economic variables. b) Statistics helps in analysing economic problems which needs immediate attention. c) Statistics helps in condensing mass data into few numerical measures d) Statistics helps in formulating economic policies.	
8.	Which of the following is a non economic activity a) Housewife cooking food for her family b) Doctor attending patients in his clinic c) Workers working in a factory d) Housewife cooking food for home delivery.	
9.	Match the following table:	

	(A)	(B)
i)	Plural sense	a. It does not study qualitative phenomenon.
ii)	Collection of data	b. Statistics as a method
iii)	Distrust of Statistics	c. Statistics as a numerical set of data
iv)	Limitations of Statistics	d. First step in a statistical enquiry
v)	Singular sense	e. Lack of confidence in statistical methods and statements.

10.	In _____ activities there is no expectation of any monetary benefit.

Class XI
Sub: Economics
Chapter 1: Consumer's Equilibrium-Introductory Microeconomics

Competency Based Questions

1.	The ratio of exchange between two goods in indifference curve analysis is shown by: - (a) The price ratio (b) The indifference curve (c) The indifference map (d) All of the above
2.	If a consumer spends his entire income (M) on Y commodity and nothing on X commodity, he will purchase what quantity of Y commodity? (a) $\frac{M}{Py}$ (b) $5 > \frac{5}{5}$ (c) MRS$> \frac{Px}{Py}$ (d) None of the above
3.	The statement A=B=10 utils implies: - (a) An ordinal measure of utility (b) An ordinal and a cardinal measure of utility (c) A cardinal measure of utility (d) None of the above
4.	At the saturation point for commodity X, the MU is: - (a) Positive (b) Negative (c) Zero (d) Any of the above.
5.	If the consumer is below his budget line, the consumer: - (a) Is not spending all of his income. (b) May or may not spending all of his income. (c) Is spending all of his income. (d) Is in equilibrium
6.	Assertion (A): Budget Line / Price Line is a line showing different combinations of two goods which a consumer can attain when he spends his entire income on these goods, and the market price of the goods are known. Reason (R): Slope of Budget Line / Price Line shows the rate at which market price allows the consumer to substitute Good-X for Good-Y. It is expressed as Px / Py (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

	Suppose a consumer wants to consume two goods which are available only in integer units. The two goods are equally priced at Rs 10 and the consumer's income is Rs 40.
7.	Write down all the bundles that are available to the consumer.
8.	Among the bundles that are available to the consumer's. Identify those which cost her exactly 40.
	Read the following and answer the questions on the basis of the same: - A consumer is an economic agent who uses goods and services for the direct satisfaction of his / her wants. Consumer consists of institution, individuals and groups of individuals or households. Consumer behaviour refers to the way in which consumers spend their income. The consumer derives utility from his expenditure. The consumer chooses his expenditures and maximums his utility with the given income and given prices of goods and services. Consumption of goods and services leads to satisfaction of human wants. This satisfaction is called "Utility". Utility may be defined as "satisfaction derived from the consumption of a commodity" or it may be defined as "want-satisfying power of a commodity". Total Utility (TU) It is the sum total of utility derived from the consumption of all the units of a commodity. Marginal Utility (MU) It refers to additional utility on account of the consumption of an additional unit of a commodity.
9.	Utility in economics means: - (a) Want satisfying power of a commodity (b) Pleasure (c) Happiness (d) Usefulness
10.	Marginal utility is: - (a) Total minus average utility (b) Addition to total utility (c) Total plus average utility (d) Total utility divided by the number of units

Answer Key:

1. A – The price ratio
2. A
3. C - A cardinal measure of utility
4. C – Zero
5. A - Is not spending all of his income
6. Option b
7. Bundles available to consumer are: (0,0), (0,1), (0,2), (0,3), (0,4), (1,0), (1,1), (1,2), (1,3), (2,0), (2,1), (2,2), (3,0), (3,1) and (4, 0).
8. (0,4), (1,3), (2,2), (3,1) and (4,0) cost exactly Rs 40. All the other bundles cost less than Rs 40.
9. A - Want satisfying power of a commodity
10. D- Total utility divided by the number of units

Class XI
Sub: Economics
Chapter 3: Organisation of Data (Statistics for Economics)

Competency Based Questions

1.	Classification of population of India in terms of years is an example of : a) Geographical classification b) Chronological classification c) Quantitative classification d) Qualitative classification
2.	The Difference between upper limit and lower limit of a class is known as; a)Range b)Magnitude of class interval c) frequency d)Class limit
3.	Statistical calculation in classified data are based on: (a)The actual values of observations. (b)The upper class limits. (c)The lower class limits. (d) The class mid-point.
	"The main objective of organization of data is to arrange the data in such a form that it becomes fairly easy to compare and analyze. Generally, we can do this by distributing data into various classes on the basis of some attributes or characteristic. This distribution of data into classes is the classification of data. Further each division of data is a class. All in all, through the process of classification we can group and divide data into classes according to general attribute, which facilitates comparison and analysis." Answer the following questions.
4.	An attribute is: a) A Qualitative characteristic b)A measurable characteristic c)A Quantitative characteristic d)All of these
5.	When the data is classified according to geographic location or region, it is known as- --
6.	A series in which every class interval excludes items corresponding to its upper limit is called: a)Exclusive series b) Inclusive series c) both (a) and (b) d) none of these

7.	Assertion (A):In the case of exclusive class intervals, upper limit is not included Reason (R): In the case of exclusive class intervals, we have to decide in advance which class limit is to be excluded. (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.
10.	Assertion (A):Classification brings order to raw data Reason (R):Classification should be formed in such a way that the class mark of each class comes as close as possible, to a value around which the observations in a class tend to concentrate (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
9.	The following frequency distribution X: 12 17 24 36 45 49 56 F: 4 0 6 8 7 5 3 is classified as: a) Continuous distribution b) Discrete distribution c) Cumulative distribution d) None of the above
10.	Match the following:

A. Classification	i.	Number of times a given value appears in a distribution
B. Range	ii.	Attribute whose value varies from one investigation to another
C. Variable	iii.	Process of arranging data into groups as per common characteristics
D. Frequency	iv.	Difference between lower limit of first class interval and upper limit of last class interval

Options:
a) A-ii, B-i, C-iv, D-iii
b) A-ii, B- iv, C-i, D-iii
c) A-iii, B-iv, C-ii, D-i
d) A-iii, B-iv, C-i, D-ii

Answer Key:

1. B- Chronological classification
2. B- magnitude of class interval
3. D- the class mid point
4. A- qualitative
5. Geographical classification
6. A- Exclusive Series
7. Option d
8. Option b
9. B: discrete distribution
10. Option c

Class XI
Sub: Economics
Chapter 2: Collection of data (Statistics for Economics)

Competency Based Questions

	Read the following Case Study carefully and answer the questions on the basis of the same: Census of India is a decennial publication of the Government of India. It is published by Registrar General and Census Commissioner, Under Ministry of Home Affairs, Government of India. It is a very comprehensive source of secondary data. It relates to population size and various aspects of demographic changes in India. Under the Ministry of Home Affairs, Government of India. It may be of historical interest that though the population census of India is a major administrative function; the Census Organisation was set up on an ad-hoc basis for each Census till the 1951 Census. The Census Act was enacted in 1948 to provide for the scheme of conducting population census with duties and responsibilities of census officers. The Government of India decided in May 1949 to initiate steps for developing systematic collection of statistics on the size of the population, its growth, etc., and established an organisation in the Ministry of Home Affairs under Registrar General and ex-Officio Census Commissioner, India.
1.	Data originally collected in the process of investigation are known as _____ (Primary data/ Secondary data).
2.	Post independence, the first census of India was conducted in _____ (1949/1951).

3.	Data collected on religion from census reports are:
	    a. Secondary data
	    b. Primary data
	    c. Either a and b
	    d. Sample data

4.	Identify the type of the following question:
	If plastic bags are only 5% of our garbage, should it be banned?
	    a. Ambiguous
	    b. Leading
	    c. Double negative
	    d. None of the above

5.	The data collected on the height of a group of students after recording their heights with measuring tape are
	    a. Primary data
	    b. Continuous data
	    c. Discrete data
	    d. Secondary data

6.	Direct personal investigation suffers from
	    a. Personal bias
	    b. Excessive expenses

	c. Time consuming d. All the above

7	_____ questions are easy to use, score and codify for investigations as all respondents can choose from the given options:
	    a. Multiple choice
	    b. Open ended
	    c. Close ended
	    d. True/False

8. 9.	Which method should be used in the following cases: When population is heterogeneous in nature- Under this the results are less reliable and accurate-

10.	Read the following statements: Assertion (A) and Reason (R).Choose one of the correct alternatives given below.
	Assertion (A): As the sample size increases, variable tends to become close to census values.
	Reason (R): Samples are always collected from different groups of heterogeneous data randomly.
	Options:
	    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

Answer Key:

1. Primary Data
2. 1951
3. a – Secondary data
4. b- Leading
5. a- Primary data
6. d- All the above
7. C- close ended
8. Census
9. Sample
10. Option c