ANANDALAYA
PERIODIC TEST- 1
Class: XI

Subject: Economics (030)   M.M: 40
Date   : 16-07-2025   Time: 1 hour 30 mins.

General Instructions:
1. All questions are compulsory.
2. This paper contains 10 Multiple Choice Questions of 1 mark each.
3. This paper contains 2 Short Answer Questions of 3 marks each to be answered in 60 to 80 words.
4. This paper contains 3 Short Answer Questions of 4 marks each to be answered in 80 to 100 words.
5. This paper contains 2 Long Answer Questions of 6 marks each to be answered in 100 to 150 words.

1. Stages of statistical study involve the following steps: (1)
    _____ of data, Organisation of data, Presentation of data, _____ of data and
    Interpretation of data.
    (A) Evaluation, Diagnosis   (B) Analysis, Collection
    (C) Collection, Analysis   (D) Collection, Selection

2. If we want to know how the national income or the total income arising from what has been   (1)
    produced in the country (called the Gross Domestic Product or GDP) is distributed through rent,
    profits, interest, wages and salaries, it is called the study of _____.
    (A) Consumption   (B) Production   (C) Distribution   (D) Profits

3. Which of the following is an example of qualitative data?   (1)
    (A) Income   (B) Beauty   (C) Marks   (D) Production

4. Which of the following is true for open-ended questions?   (1)
    (A) They allow for more individualised responses.
    (B) They are difficult to interpret and hard to score.
    (C) There are a lot of variations in the responses.
    (D) All of the above.

5. A point outside the PPF indicates _____.   (1)
    (A) attainable combination   (B) unattainable combination
    (C) full and efficient utilization of resources (D) underutilisation of resources

6. Ceteris paribus means _____.   (1)
    (A) other factors remaining constant   (B) holding supply constant
    (C) holding demand constant   (D) price is constant

7. Statement 1: Market demand curve is flatter than individual demand curves.   (1)
    Statement 2: Market demand curve is obtained by horizontal summation of individual demand
                curves.
    (A) Statement 1 is true and Statement 2 is false.
    (B) Statement 1 is false and Statement 2 is true.
    (C) Both Statements 1 and 2 are true.
    (D) Both Statements 1 and 2 are false.

8. Which of the following is an example of Positive Economics? (1)
   (A) Government should not allow schools to conduct offline classes when Covid-19 cases are rising.
   (B) India should not be an overpopulated country.
   (C) Income inequalities should be reduced.
   (D) There are inequalities of income in our economy.

9. 'Make in India Movement' launched by the Government of India will lead to _____. (1)
   (A) Leftward shift in PPC   (B) No change in PPC
   (C) Rightward shift in PPC   (D) Forward rotation on X- axis of PPC

10. Sushma receives three job offers: (1)
       (i) To work as an accountant at a salary of ₹ 40,000 per month.
       (ii) To work as a sales manager at a salary of ₹ 35,000 per month.
       (iii) To work as a banker at a salary of ₹ 50,000 per month.
    If she chooses to work as a banker, her opportunity cost will be _____.
    (A) ₹ 35,000   (B) ₹ 40,000   (C) ₹ 50,000   (D) ₹ 75,000

11. Distinguish between Primary data and Secondary data. (3)

12. (i) Which mode of data collection gives the highest response rate? State any two disadvantages of the same. (2)
    (ii) What points should be kept in mind while preparing a good questionnaire? (any 2) (1)

13. An economy produces two goods: wheat and cloth. The following table summarises its production possibilities. Calculate the Marginal Rate of Transformation of producing more cloth in place of wheat. What does it indicate? What will be the shape of Production Possibility Curve in this case? (4)

Wheat (kg)	100	90	70	40	10	0
Cloth (metres)	0	25	50	75	85	87

14. (i) "Statistics enables an economist to present the facts in a precise and definite form." Explain with an example. (2)
    (ii) 'Statistical results might lead to fallacious conclusions.' Justify. (2)

15. Explain with the help of diagrams, what will be the impact of the following changes on the demand curve of Petrol and Mangoes respectively. (4)
      (i) Petrol : If its price is expected to rise in near future.
      (ii) Mangoes : When its price increases.

16. (i) Categorise the following changes as expansion, contraction, increase or decrease in the demand. Also state what will be the changes in the demand curve in all the situations. (3)
       (a) Decrease in income of consumer, in case of normal good.
       (b) When tastes and preferences of consumer move in favour of the commodity.

   (c)

Price (₹)	30	20
Quantity demanded (units)	100	160

    (ii) Distinguish between substitute goods and complementary goods using appropriate examples of each. (3)

17. Read the following text carefully and answer the given questions on the basis of the same and common understanding:

Every economy faces the problem of allocating the scarce resources to the production of different possible goods and services and of distributing the produced goods and services among the individuals within the economy. Every society must decide on how much of each of the many possible goods and services it will produce. Whether to produce more of food, clothing, housing or to have more of luxury goods. Whether to have more agricultural goods or to have industrial products and services. Whether to use more resources in education and health or to use more resources in building military services. Basic problems can be solved either by the free interaction of the individuals pursuing their own objectives as is done in the market or in a planned manner by some central authority like the government or the combination of both.

(i) _____ is also known as the problem of allocation of resources.   (1)
   (A) What to produce   (B) How to produce
   (C) When to produce   (D) For whom to produce

(ii) Labour intensive technique of production leads to higher _____.   (1)
   (A) production   (B) efficiency   (C) employment   (D) output

(iii) Statement 1: Economic problem is a problem of choice.   (1)
     Statement 2: 'For whom to produce' is a problem that relates to selection of technique to be used for production of goods and services.
   (A) Statement 1 is true and Statement 2 is false.
   (B) Statement 1 is false and Statement 2 is true.
   (C) Both Statements 1 and 2 are true.
   (D) Both Statements 1 and 2 are false.

(iv) Elaborate the reasons that give rise to economic problem.   (3)