INDIAN SCHOOL AL WADI AL KABIR

DEPARTMENT OF COMMERCE

FINAL ASSESSMENT -XI 2025-26

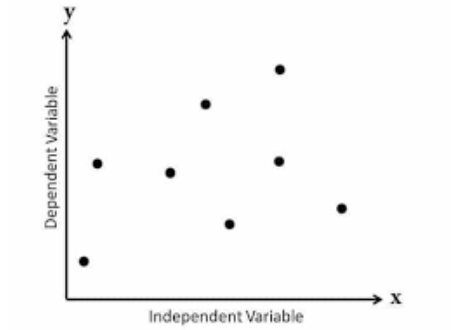
ECONOMICS (030)

Date: 28/ 02 /2026 **Time: 3 hours** **Marks: 80**

General Instructions:

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

Q. NO	SECTION A – STATISTICS	MARKS
1	Read the following statements Assertion (A) and Reason (R). Choose the correct alternatives given below: **Assertion (A):** Statistics should not be trusted blindly. **Reason (R):** Statistics can be altered to match the pre-determined conclusions. **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
2	Identify the methods in which entire population surveyed? a) Sampling b) Random sampling c) Census d) Stratified sampling	1

3	**Read the following statements carefully and choose the correct alternative given below:** **Statement I**: Statistical data cannot be classified according to their characteristics. **Statement II**: In the qualitative type of classification, there is the presence or absence of an attribute. a) Statement I is incorrect and statement II is correct b) Statement I is correct and statement II is incorrect c) Both the statements are incorrect d) Both the statements are correct	1
4	Which of the following frequency diagram uses cumulative frequency distribution? a) Bar diagram b) Frequency curve c) Histogram d) Ogive	1
5	If Mean of a series is 32 and median is 40, what would be the value of mode? a) 54 b) 58 c) 56 d) 38	1
6	Identify the type of correlation shown below:  	1
7	Read the following statements Assertion (A) and Reason (R). Choose the correct alternatives given below: **Assertion (A):** Correlation does not tell about cause-and-effect relationship. **Reason (R):** Correlation studies the relationship between two variables **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
8	Out of the following measures which can measure any type of relationship a) Karl Pearson's coefficient of correlation b) Spearman's rank correlation c) Scatter diagram d) Index numbers	1

<table>
<tr><td>9</td><td>Read the following statements carefully and choose the correct alternative given below:
Statement 1: The base year of an index number is the year against which comparisons are made.
Statement 2: The base year of an index number always has a value of 100.
a) Both statements are true
b) Both statements are false
c) Statement 1 is true, and statement 2 is false
d) Statement 1 is false, and statement 2 is true</td><td>1</td></tr>
<tr><td>10</td><td>What is the name of the monthly price index that takes price changes in consumer goods and services and uses it to determine changes in the price of those products over a period of time?
a) Wholesale price index
b) Consumer price index
c) Paasche’s index
d) General purpose index</td><td>1</td></tr>
<tr><td>11</td><td>Calculate Mode from the following data:
<table>
<tr><td>C.I</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40-50</td><td>50-60</td></tr>
<tr><td>Frequency</td><td>2</td><td>4</td><td>7</td><td>6</td><td>1</td></tr>
</table>
OR
Calculate Median from the following set of data:
<table>
<tr><td>Size X</td><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40-50</td></tr>
<tr><td>Frequency</td><td>3</td><td>4</td><td>2</td><td>7</td><td>10</td></tr>
</table></td><td>3</td></tr>
<tr><td>12</td><td>The imaginary monthly per capita expenditure incurred by workers for an industrial center during 2005 and 2020 on the following items are given below. The weights of these items are 75,10, 5, 6 and 4 respectively. Prepare a weighted index number for cost of living for 2020 with2005 as the base.
<table>
<tr><th>Items</th><th>Price in 2005</th><th>Price in 2020</th></tr>
<tr><td>Food</td><td>100</td><td>200</td></tr>
<tr><td>Clothing</td><td>20</td><td>25</td></tr>
<tr><td>Fuel & Lighting</td><td>15</td><td>20</td></tr>
<tr><td>House rent</td><td>30</td><td>40</td></tr>
<tr><td>Miscellaneous</td><td>35</td><td>65</td></tr>
</table></td><td>3</td></tr>
<tr><td>13</td><td>Make a Pie chart from the following given data.
<table>
<tr><th>Item of expenditure</th><th>% of total expenditure</th></tr>
<tr><td>Food</td><td>60</td></tr>
<tr><td>Clothing</td><td>15</td></tr>
<tr><td>Shelter</td><td>10</td></tr>
<tr><td>Education</td><td>10</td></tr>
<tr><td>Health</td><td>5</td></tr>
</table></td><td>4</td></tr>
<tr><td>14</td><td>Read the following text carefully and answer question given below:
A market analyst studied the relationship between temperature and the sale of ice creams in a coastal city. During hotter months, sales of ice creams increased sharply, while during the cooler months, sales dropped significantly. The analyst</td><td>4</td></tr>
</table>

also noticed that daily temperature and ice cream sales moved almost in the same direction throughout the year. However, occasional promotional discounts also led to higher sales even on moderately warm days. Despite these exceptions, the overall pattern indicated a strong association between rising temperature and increased ice cream sales.

a. Identify the type of correlation described in the paragraph.
b. What evidence from the paragraph supports your answer?
c. Why did sales sometimes increase even on moderately warm days?
d. Does correlation always imply causation? Give a reason.

15 Arrange an index for 2025 taking 2020 as base year, using price relatives method: 4

Items	A	B	C	D
2020 Price	20	40	50	70
2025 Price	30	50	70	90

OR

Calculate weighted aggregate price index from the following using:

a. Laspeyres's method.
b. Paasche's method.

Commodity	**Base Price (Rs)**	**Base Quantity**	**Current Price (Rs)**	**Current Quantity**
A	10	6	15	8
B	25	10	40	20
C	30	15	45	12
D	15	20	30	15
E	20	8	25	6

16 a. Calculate the Median age of the residents: 3+3

Age	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80
No. of Residents	12	18	35	42	50	45	20	8

b. Using the data of marks obtained by students, calculate arithmetic mean by using Assumed mean method

Marks	**Number of Students**
20	8
30	12
40	20
50	10
60	6
70	4

17 Explain the properties of correlation. Draw a scatter diagram and indicate the nature of correlation. 6

X	10	20	30	40	50	60	70	80
Y	5	10	15	20	25	30	35	40

	OR A group of 8 students got the following marks in a test in Economics and Accountancy, compute the coefficient of rank correlation **Marks in Maths**: 50, 60, 65, 70, 75, 40, 80, 85 **Marks in Accountancy**: 80, 71, 60, 75, 90, 82, 70, 50	
	SECTION B – MICRO ECONOMICS	
18	In which situation PPC shifts towards right? a) Increase in foreign capital b) Technology is upgraded. c) Fully efficient use of resources d) a and b	1
19	Read the following statements carefully and choose the correct alternatives given below: Statement 1: Positive economic analysis deals with 'what ought to be.' Statement 2: Normative economic analysis deals with 'things as they are.' **Alternatives:** a) Statement 1 is true and statement 2 is false b) Statement 1 is false and statement 2 is true c) Both Statement 1 and 2 are true d) Both Statement 1 and 2 are false	1
20	Under cardinal utility analysis, utility is measured in terms of: a) Rupees b) Preferences c) Utils d) Income	1
21	Read the following statements: Assertion (A) and Reason (R). Choose one of the correct alternatives given below: **Assertion (A):** Price demand curve is negatively slowed **Reason (R):** Law of demand states inverse relation between price and demand. keeping other factors constant. **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
22	Mr. Sukesh is planning to start a new business. He has set up a suitable factory space, purchased machinery and computer systems and hired key managerial personnel. Identify which of the following is not a fixed factor of production. a. Purchase of machinery b. Building for factory space c. Hiring of managerial personnel	1

	d. All of the above	
23	Supply refers to: a. Quantity of a commodity which a producer is willing to sell at a specific price b. Various quantities of a commodity which a producer is ready to sell at different possible prices c. Total quantity of the commodity available with the producer at a point in time d. All the above	1
24	Read the following statements carefully and choose the correct alternatives given below: **Statement 1**: Increase in total product always indicates that there are increasing returns to a factor. **Statement 2**: When there are diminishing returns to a factor, marginal product and total product both always fall or diminish. **Alternatives:** (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.	1
25	Read the following statements: Assertion (A) and Reason (R). Choose one of the correct alternatives given below: **Assertion (A):** In perfect competition, price is determined by the forces of demand and supply. **Reason (R):** The number of buyers and sellers is so large that one person cannot influence prices. **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
26	Since all consumers will not be satisfied by the quantity of the goods that they get from the fair price shop, some of them will be willing to pay higher price for it. This may result in the creation of……. a) Price Ceiling b) Floor Price c) Black market d) None of these	1
27	When Market demand is more than Market supply, it refers to a situation of: (a) Excess supply (b) Excess Demand (c) Equilibrium level (d) None of these	1
28	a) What do you mean by Elasticity of Demand?	3

<table>
<tr><td></td><td>b) The market demand for a good at ₹ 4 per unit is 100 units. Due to increase in price, the market demand falls to 75 units. Find out the new price, elasticity of demand is (-)1.</td><td></td></tr>
<tr><td>29</td><td>State the law of variable proportion. Explain the behaviour of Total product and Marginal Product in the different stages of production with the help of a diagram.
OR
Distinguish between Implicit cost and Explicit cost. Give examples.</td><td>3</td></tr>
<tr><td>30</td><td>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.
a. Define Law of DMU with its assumptions.
b. State the relationship between TU &MU. Use diagram.
OR
A consumer consumes only two goods X and Y. At a consumption level of these two goods, he finds that the ratio of marginal utility to price in case of X is higher than that in case of Y. Explain the reaction of the consumer.</td><td>4</td></tr>
<tr><td>31</td><td>From the following schedule, find out the level of output at which the producer is in equilibrium. Give reasons for your answer.
<table>
<tr><th>Output (units)</th><th>Price (Rs)</th><th>Total cost (Rs)</th></tr>
<tr><td>1</td><td>24</td><td>26</td></tr>
<tr><td>2</td><td>24</td><td>50</td></tr>
<tr><td>3</td><td>24</td><td>72</td></tr>
<tr><td>4</td><td>24</td><td>92</td></tr>
<tr><td>5</td><td>24</td><td>115</td></tr>
<tr><td>6</td><td>24</td><td>139</td></tr>
<tr><td>7</td><td>24</td><td>165</td></tr>
</table></td><td>4</td></tr>
<tr><td>32</td><td>The market for a good is in equilibrium. How would an increase in an input price affect the equilibrium price and equilibrium quantity, keeping other factors constant? Explain using a diagram.</td><td>4</td></tr>
<tr><td>33</td><td>State giving reason whether the following statements are true or false:
a) Demand for a good always increases with increase in income of its buyers
b) At the point of consumer’s equilibrium Marginal Rate of Substitution (MRS) should be equal to the Ratio of prices of two goods X and Y (Px/Py).
c) A budget set is a collection of such bundles of goods that give same level of satisfaction.</td><td>6</td></tr>
</table>

	OR a) Define Indifference curve and Budget line. b) Explain the following: a. Why does Indifference convex to the origin? b. Why does a higher indifference curve represent a higher level of satisfaction?	
34	**Read the following text carefully and answer question given below:** The government may decide that the equilibrium price is not high enough and is causing social problems. For instance, the American farmer, through technology and science, is a producer of large amounts of food products. This has, however, not been to the farmer's advantage. When there is a large supply and not as much as demand, the price drops. This has been the case with American farmers, large supplies, low demand, low prices. Low prices result in low incomes. In order to offset this, the government has enacted price supports to raise the price of agricultural products. - Bob A. Rabboh, Ronald J Barton, Principles of Economics a. What is Maximum price Ceiling? On what type of goods is it normally imposed? Explain its effect. (Use Diagram).	6