



Date: 30/7/24
GRADE: XI

MONTHLY TEST -01 (2024-25)
ECONOMICS (030)

Max marks: 20
Time: 50 Minutes

General Instructions:

1. There are 9 questions in the question paper. All questions are compulsory

Qn. No		Marks allocated
1	Rightward shift of PPC indicates (a) Growth of resources (b) Under-utilisation of resources (c) Decrease in availability of resources (d) None of these	1
2	The central problem in economics is that of: (a) Comparing the success of command versus market economies. (b) Guaranteeing that production occurs in the most efficient manner. (c) Guaranteeing a minimum level of income for every citizen. (d) Allocating scarce resources in such a manner that society's unlimited needs or wants are satisfied in the best possible manner.	1
3	Choose the correct alternative for the given statements. Alternatives: - a) Both statements are true. b) Both statements are false. c) Statement 1 is true, 2 is false d) Statement 2 is true, 1 is false. Statement 1: All numerical statements are statistics. Statement 2: Statistics refers to quantitative information capable of some meaningful conclusions.	1
4	A: Riya's weight is 50 kg. B: The height of this book shelf is 3 feet. C: This book costs Rs 500. D: My weekly average pocket allowance is Rs 500. Study the information given above and answer the following. Identify which of these can be termed as Statistics? a) A b) B c) C d) D	1
5	Critically analyse the uses and limitations of Statistics.	3

6	<p>"A business owner wants to understand the shopping habits of their customers. They have two options:</p> <p>Option A: Collect data through their own customer loyalty program, tracking individual purchases and shopping frequencies.</p> <p>Option B: Purchase a market research report from a reputable firm that provides aggregate data on consumer spending habits in their industry.</p> <p>What type of data would the business owner collect in Option A and Option B respectively. Highlight their differences.</p>	3
7	<p>A severe drought hits a country, affecting its agricultural output. Meanwhile, a new technological breakthrough increases the efficiency of its manufacturing sector. How will these two events affect the country's PPC, Explain your answer, including the direction of the shift and any changes in the shape of the curve."</p>	3
8	<p>A. "You're stranded on a deserted island with limited resources and unlimited wants. Explain how you would address the three central problems of scarcity, choice, and allocation to survive and thrive on the island.</p> <p>B. You're the economic advisor to a small island nation. Explain how you would address economic issues at two different levels: Microeconomic and Macroeconomic</p>	2 2
9	<p>Read the following passage and answer the question that follows:</p> <p>Imagine an island with a population of 100 people, abundant resources (coconuts, fish, and timber), and limited land. The islanders need to decide how to allocate these resources to meet their unlimited wants. They have to choose between building more houses, producing more food, or creating more leisure activities. However, they face the central problems of an economy: scarcity, choice, and opportunity cost. If they decide to build more houses, they will have to sacrifice some food production or leisure activities.</p> <p>The islanders must also consider the most efficient way to produce goods and services, given their resources and technology. They can either produce goods and services centrally, or allow individuals to produce what they want. If they choose central planning, they risk inefficiencies and lack of innovation. If they choose individual production, they risk coordination problems and inequality.</p> <p>A. How should the islanders allocate their resources</p> <p>B. what system of production and distribution should they adopt to maximize their well-being?</p>	1 2
	THE END	