



REVISION SHEET

SUBJECT: ECONOMICS

CLASS-XI

TERM 1

MICROECONOMICS

1 MARK QUESTIONS:

Q1. A consumer purchases two goods. Consumer's equilibrium is attained when:

- (a) $MU_x = MU_y$
- (b) $MU_x/P_x = MU_y/P_y$
- (c) TU is maximum
- (d) $MU_x = P_x$

Q2. Which one of the following will not cause a rightward shift in the demand curve for tea?

- (a) Increase in income (Tea is a normal good)
- (b) Fall in the price of coffee (Coffee is a substitute)
- (c) Rise in consumers' income
- (d) Increase in population

Q3. Which of the following statements is correct?

- (a) Average Product can rise even when Marginal Product is falling.
- (b) Average Product falls whenever Marginal Product rises.
- (c) Marginal Product can never become negative.
- (d) Average Product and Marginal Product always move together.

Q4. If Marginal Cost is below Average Cost, then Average Cost will:

- (a) Increase
- (b) Decrease
- (c) Remain constant
- (d) Become zero

Q5. The opportunity cost of producing one additional unit of a good is best measured by:

- (a) Total Cost
- (b) Average Cost
- (c) Value of the next best alternative forgone
- (d) Fixed Cost

Assertion–Reason Questions

Q6. Assertion (A): The demand curve slopes downward from left to right.

Reason (R): As price falls, consumers purchase more due to substitution effect and income effect.

- (a) Both A and R are true and R is the correct explanation of A.
- (b) Both A and R are true but R is not the correct explanation of A.
- (c) A is true but R is false.
- (d) A is false but R is true.

Q7. Assertion (A): Marginal Cost initially falls and later rises.

Reason (R): Marginal Product initially rises due to increasing efficiency and later falls because of the Law of Variable Proportions.

- (a) Both A and R are true and R is the correct explanation of A.
- (b) Both A and R are true but R is not the correct explanation of A.
- (c) A is true but R is false.
- (d) A is false but R is true.

Q8. Assertion (A): Demand for salt is relatively inelastic.

Reason (R): Salt has many close substitutes.

- (a) Both A and R are true and R is the correct explanation of A.
- (b) Both A and R are true but R is not the correct explanation of A.
- (c) A is true but R is false.
- (d) A is false but R is true.

Very Short Answer Questions

Q9. Why is Stage II of the Law of Variable Proportions called the rational stage of production?

Q10. Define opportunity cost with the help of an example.

Q11. State one situation in which demand for a commodity may increase despite a rise in its price.

Q12. Under what condition does Total Utility become maximum?

Q13. Why does Average Fixed Cost continuously decline with an increase in output?

Q14. State one difference between explicit cost and implicit cost.

Q15. Why does Marginal Product eventually become negative?

Q16. State one factor because of which demand for a commodity becomes perfectly inelastic.

Q17. State the equilibrium condition for a consumer under the Marginal Utility Analysis.

Q18. Why does Average Product start declining after a certain stage of production?

Q19. Why is Economics known as the science of choice?

Q20. State one reason why the Average Cost curve is U-shaped.

3 MARKS QUESTIONS:

Q21. Explain any **three economic problems** that arise due to the problem of scarcity. Support your answer with suitable examples.

Q22. A consumer spends his entire income on a single commodity priced at ₹20 per unit. The marginal utility derived from successive units is 100, 80, 60, 40, 20 and 10 utils. Assuming **1 util = ₹0.25**, determine:

- (i) The equilibrium level of consumption.
- (ii) Give a reason for your answer.

Q23. Distinguish between **movement along a demand curve** and **shift in the demand curve** on the basis of:

- (i) Cause

- (ii) Effect on quantity demanded
- (iii) Graphical representation

Q24. Explain any **three determinants** of the **price elasticity of demand** with suitable examples.

Q25. A consumer's income increases from ₹40,000 to ₹50,000 per month. As a result, the demand for millet falls from 15 kg to 10 kg per month, while the demand for fruits increases from 8 kg to 12 kg per month. Identify the type of goods in both cases and give reasons for your answer.

Q26. Explain the relationship between **Total Product (TP)**, **Average Product (AP)**, and **Marginal Product (MP)** with the help of any **three valid observations**.

Q27. From the following data, calculate **Average Product (AP)** and **Marginal Product (MP)**:

Labour (Units) Total Product (Units)

0	0
1	15
2	34
3	51
4	64
5	72

Q28. Explain any **three reasons** why the **Marginal Cost curve first falls and then rises** in the short run.

Q29. "A fall in the price of petrol may increase the demand for cars."

Do you agree with the statement? Give **three economic reasons** in support of your answer.

Q30. "The producer should never operate in Stage I or Stage III of the Law of Variable Proportions."

Justify the statement with **three suitable arguments**.

4 MARKS QUESTIONS:

Q31. Differentiate between **Microeconomics** and **Macroeconomics** on the basis of any **four points**.

Q32. Explain the **Law of Diminishing Marginal Utility** with the help of a suitable schedule and diagram. Also state **two assumptions** of the law.

Q33. Distinguish between the following pairs of goods with suitable examples:

- (i) Normal Goods and Inferior Goods
- (ii) Substitute Goods and Complementary Goods

Q34. Explain any **four determinants of demand** with suitable examples.

Q35. Explain the **various degrees of Price Elasticity of Demand** with the help of suitable diagrams.

Q36. From the following data, calculate **Total Utility (TU)** and **Marginal Utility (MU)**:

Units Consumed Total Utility (TU)

0	0
1	18
2	34
3	48

Units Consumed Total Utility (TU)

4	58
5	64
6	64

Q37.Explain the **Law of Variable Proportions** with the help of a schedule and diagram. Clearly explain the significance of each stage of production.

Q38.Explain the relationship between **Total Product (TP)**, **Average Product (AP)**, and **Marginal Product (MP)** with the help of suitable diagrams.

Q39.From the following data, calculate **AFC**, **AVC**, **AC** and **MC**.

Output Total Fixed Cost (₹) Total Variable Cost (₹)

0	100	0
1	100	60
2	100	100
3	100	135
4	100	180
5	100	250

Q40.Explain why the **Average Cost (AC) curve is U-shaped**. Also explain the relationship between **Average Cost (AC)** and **Marginal Cost (MC)** with the help of a diagram.

6 MARKS QUESTIONS:

Q41.Explain Consumer's Equilibrium using the Marginal Utility Analysis under the following headings:

Assumptions

Conditions of Equilibrium

Explanation with Schedule

Diagram

Why does a rational consumer stop consuming at the equilibrium point?

Q42.Explain the Law of Demand with the help of a schedule and diagram. Also explain any four exceptions to the Law of Demand.

Q43.A consumer spends his entire income on two goods X and Y.

Commodity	Price (₹)	Marginal Utility (Utils)
X	20	100
Y	10	50

The consumer has ₹60 to spend.

Answer the following:

(i) State the equilibrium condition using the Equi-Marginal Utility Principle.

(ii) Is the consumer in equilibrium? Give reasons.

(iii) Suggest how the consumer should reallocate expenditure to attain equilibrium.

Q44.From the following schedule, calculate:

Average Fixed Cost (AFC)

Average Variable Cost (AVC)

Average Cost (AC)

Marginal Cost (MC)

Output	Total Fixed Cost (₹)	Total Variable Cost (₹)
0	150	0
1	150	80
2	150	140
3	150	180
4	150	240
5	150	330

Also explain the relationship between Marginal Cost and Average Cost.

Q45. A firm's production schedule is given below.

Labour	Total Product
0	0
1	20
2	45
3	72
4	92
5	104
6	108
7	106

Calculate:

- Average Product
- Marginal Product

Also identify the three stages of the Law of Variable Proportions and justify your answer.

Q46. Differentiate between Price Elasticity of Demand and Income Elasticity of Demand on any six bases. Also explain one practical use of each elasticity for producers.

Q47. A café increases the price of coffee from ₹120 to ₹150 per cup. As a result, weekly demand falls from 600 cups to 480 cups. At the same time, the demand for tea rises.

Answer the following:

- Identify the relationship between tea and coffee.
- Calculate the Percentage Change in Price.
- Calculate the Percentage Change in Quantity Demanded.
- Comment on the elasticity of demand.
- Explain any two determinants of elasticity that may influence consumers in this situation.
- Explain the effect of this price rise on the seller's Total Revenue.

Q48. A manufacturing firm employs more workers on a fixed-sized factory floor. Initially, production increases rapidly, then increases at a diminishing rate, and finally starts declining.

Answer the following:

- Name the law illustrated.
- Explain Stage I, Stage II and Stage III.
- Why does Marginal Product eventually become negative?
- Why is Stage II considered the rational stage of production?
- Draw the relevant TP and MP curves.

Q49. "Every producer aims to minimise cost and maximise output."

In the light of the above statement:

Explain the Law of Variable Proportions with suitable assumptions.

Explain the relationship between TP, AP and MP.

Support your answer with a suitable diagram.

Q50. Differentiate between Accounting Cost and Economic Cost on any six bases. Also explain the following with suitable examples:

(i) Explicit Cost

(ii) Implicit Cost

(iii) Fixed Cost

(iv) Variable Cost

STATISTICS

1 MARK QUESTIONS:

Q51. Which of the following statements best explains why statistics is called both a science and an art?

A. It deals only with numbers.

B. It involves scientific methods as well as skill in interpretation.

C. It is useful only in Economics.

D. It cannot be applied in social sciences.

Q52. **Assertion (A):** Statistics is an indispensable tool for formulating economic policies.

Reason (R): Statistics helps policymakers analyse trends and make evidence-based decisions.

A. Both A and R are true and R is the correct explanation of A.

B. Both A and R are true but R is not the correct explanation of A.

C. A is true but R is false.

D. A is false but R is true.

Q53. Which of the following is **not** a characteristic of statistics?

A. Statistics deals with aggregates.

B. Statistics must be collected systematically.

C. Statistics refers only to qualitative facts.

D. Statistics should be placed in relation to each other.

Q54. A researcher wants to study the average monthly expenditure of households in Delhi. Due to shortage of time, he collects data from only 300 households selected scientifically from different districts.

The method adopted is:

A. Census Investigation

B. Sample Investigation

C. Pilot Survey

D. Experimental Method

Q55. A pie diagram represents a sector equal to 72° .

The percentage represented by the sector is:

A. 15%

B. 18%

C. 20%

D. 25%

Q56. Data collected by an investigator for the first time for a specific objective are called _____.

Q57. **Assertion (A):** Census method always provides more reliable results than sample method.

Reason (R): Every unit of the population is investigated under the census method.

- A. Both A and R are true and R is the correct explanation of A.
- B. Both A and R are true but R is not the correct explanation of A.
- C. A is false but R is true.
- D. Both A and R are false.

Q58. Which of the following is a source of **secondary data**?

- A. Personal interview conducted by the investigator
- B. Questionnaire filled by respondents
- C. Census of India Report
- D. Direct observation by the investigator

Q59. A school collected marks of 2,000 students. The principal decided to arrange the marks into class intervals of 10 to facilitate analysis.

This process is known as:

- A. Editing
- B. Classification
- C. Collection
- D. Sampling

Q60. Monthly expenditure on food is ₹12,000 out of a total monthly expenditure of ₹48,000.

The central angle for the food sector in a pie diagram will be:

- A. 60°
- B. 90°
- C. 120°
- D. 180°

Q61. Which of the following is an essential component of a statistical table?

- A. Caption
- B. Stub
- C. Title
- D. All of these

Q62. A bar diagram can be used to represent qualitative data. (True/False)

Q63. Which of the following situations is **most suitable** for adopting the census method?

- A. Studying customer preferences in a city of one crore people
- B. Counting the number of students in one classroom
- C. Studying voting behaviour in India
- D. Estimating wheat production using selected farms

Q64. (Assertion–Reason)

Assertion (A): A statistical table should have a clear and self-explanatory title.

Reason (R): The title enables readers to understand the contents of the table quickly.

- A. Both A and R are true and R is the correct explanation of A.
- B. Both A and R are true but R is not the correct explanation of A.
- C. A is true but R is false.
- D. A is false but R is true.

Q65. A bar diagram shows the production of wheat in 2024 as **80 tonnes** and in 2025 as **120 tonnes**.

The percentage increase in production is:

- A. 25%
- B. 40%
- C. 50%
- D. 60%

Q66. Match Column I with Column II.

Column I

Column II

- | | |
|--------------------|---|
| (a) Primary Data | (i) Census Report |
| (b) Secondary Data | (ii) Collected first-hand by the investigator |
| (c) Stub | (iii) Row heading |
| (d) Caption | (iv) Column heading |

Q67. A company wants highly accurate information regarding the salary structure of all its **650 employees** before implementing a revised pay scale.

Which method should be preferred?

- A. Sample Survey
- B. Census Method
- C. Random Guess
- D. Observation

Q68. Which diagram is **most suitable** for showing the composition of household expenditure?

- A. Histogram
- B. Line Graph
- C. Pie Diagram
- D. Frequency Polygon

Q69. A pie chart consists of five sectors having central angles:

72° , 54° , 90° , 36° , and x° .

The value of x is:

- A. 90°
- B. 108°
- C. 120°
- D. 144°

Q70. Which of the following statements is **most appropriate**?

- A. Statistics can establish cause-and-effect relationships with certainty.
- B. Statistics is useful only for economists.
- C. Statistics provides a basis for decision-making but should always be interpreted carefully.
- D. Statistics always leads to exact conclusions.

3 MARKS QUESTIONS:

Q71. Differentiate between Primary Data and Secondary Data on any three bases.

Q72. Explain any three functions of statistics in economics with suitable examples.

Q73. State any three limitations of statistics.

Q74. A researcher wants to study the average monthly income of families in a town having 50,000 households.

Suggest whether the researcher should use the census method or the sample method. Give three reasons in support of your answer.

Q75. Classify the following data into Qualitative and Quantitative characteristics:

Height of students

Gender

Income

Religion

Marks obtained

Blood Group

Present your answer in tabular form.

Q76. Construct a simple bar diagram using the following data:

Year Production (Units)

2022 40

2023 60

2024 80

2025 100

(Use a suitable scale.)

Q77. The monthly expenditure of a family is given below:

Item	Expenditure (₹)
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Food	12,000
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House Rent	8,000
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Education	6,000
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Transport	4,000
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Miscellaneous	10,000
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Calculate the central angle for each item and prepare the data required for drawing a pie diagram.

Q78. (Case Study) A company manufacturing bottled water collected data regarding customer satisfaction from 500 customers through a structured questionnaire. The management analysed the responses and concluded that 85% of customers were satisfied with the product.

Answer the following:

(i) What type of data was collected?

(ii) Name the method of data collection used.

(iii) State one advantage of using this method.

Q79. Explain any three essentials of a good statistical table.

Q80. (HOTS) A government department plans to estimate the unemployment rate in a large state. Due to limited time and financial resources, it decides to collect information from a carefully selected group of households instead of every household.

(i) Identify the method of investigation used.

(ii) State any two merits of this method.

(iii) Mention one precaution that should be taken while using this method.

4 MARKS QUESTIONS:

Q81. The following data show the marks obtained by 40 students in Economics:

18, 27, 36, 22, 45, 30, 42, 19, 25, 33, 39, 41, 28, 24, 17, 35, 31, 26, 38, 40, 29, 20, 37, 34, 32, 21, 23, 43, 44, 16, 27, 30, 35, 38, 25, 29, 41, 33, 36, 24

Prepare an exclusive continuous frequency distribution using the following class intervals:
15–20, 20–25, 25–30, 30–35, 35–40, 40–45, 45–50.

Q82. Differentiate between Census Method and Sample Method on any four basis.

A government wants to estimate the unemployment rate in India within one month. Which method would you recommend? Justify your answer.

Q83. The annual expenditure of a family is given below:

Head	Expenditure (₹)
Food	1,80,000
Education	72,000
House Rent	1,08,000
Transport	54,000
Miscellaneous	36,000

Calculate the central angle for each component and draw a Pie Diagram.

Q84. A researcher is collecting information about the spending habits of college students.

He collected data from only one college and concluded that the findings represented all college students in India.

Answer the following:

- (i) Identify the error committed by the researcher.
- (ii) Explain any two limitations of the method adopted.
- (iii) Suggest one suitable method to improve the reliability of the study.

Q85. Explain any four advantages of tabulation.

Also explain why classification of data is essential before tabulation.

Q86. (Numerical + Diagram)

The production of wheat (in tonnes) by four states is as follows:

State	Production
Punjab	240
Haryana	180
Uttar Pradesh	300
Rajasthan	120

- (i) Draw a Simple Bar Diagram.
- (ii) Mention two advantages of representing data through a bar diagram.

Q87. A company obtained sales data from different branches.

The manager directly prepared graphs without first classifying and tabulating the data.

Do you agree with this approach? Give four reasons in support of your answer.

Q88. The following data represent the monthly income (₹) of 20 families:

22,000; 28,000; 30,000; 35,000; 42,000; 27,000; 33,000; 40,000; 45,000; 31,000; 26,000; 37,000; 39,000; 41,000; 29,000; 24,000; 36,000; 32,000; 38,000; 25,000.

Prepare an exclusive frequency distribution using a class interval of ₹5,000.

Q89. Explain any four requisites of a good statistical table.

Why are source note and footnote considered important components of a statistical table?

Q90. Statistics has often been described as "an aid to thinking, but not a substitute for thinking."

Justify this statement with four suitable arguments, giving examples wherever necessary.

6 MARKS QUESTIONS:

Q91. The Ministry of Labour wants to estimate the unemployment rate in India. Some economists favour the Census Method, while others recommend the Sample Method.

Answer the following:

- Which method would you recommend? (1)
- Give **three reasons** for your recommendation. (3)
- State **two situations** where the other method would be more appropriate. (2)

Q92. The following are the marks obtained by 50 students in Economics:

18, 22, 35, 41, 28, 32, 45, 38, 24, 30,
36, 40, 26, 27, 42, 31, 29, 37, 33, 25,
21, 19, 39, 34, 44, 43, 23, 20, 28, 32,
30, 35, 38, 27, 29, 24, 31, 36, 40, 41,
18, 22, 26, 33, 37, 42, 39, 25, 34, 45

Using the **Exclusive Method**, prepare a continuous frequency distribution with the following classes:
15–20, 20–25, 25–30, 30–35, 35–40, 40–45, 45–50.

Also identify the **modal class**.

Q93. The annual expenditure of a family is as follows:

Head	Expenditure (₹)
Food	2,40,000
House Rent	1,20,000
Education	90,000
Transport	60,000
Savings	90,000

Calculate the **central angle** for each component and draw a **Pie Diagram**.

Also comment on the family's spending pattern.

Q94. Explain the **importance of Statistics in Economics** under the following headings:

Formulation of economic policies

Planning and forecasting

Business decision-making

National income estimation

Research and analysis

International comparisons

Support your answer with suitable examples.

Q95 The following data represent the sales (in lakh ₹) of a company during five years:

Year Sales

2021 40

2022 55

2023 70

2024 60

2025 80

- Draw a **Simple Bar Diagram**.
- Comment on the trend in sales.

(iii) Mention **two advantages** and **two limitations** of using bar diagrams for presenting such data.

Q96. A private coaching institute conducted a survey of only its own students and concluded that **online learning is preferred by all students in the city**.

Answer the following:

- Identify the statistical error committed.
- Explain **three reasons** why the conclusion is misleading.
- Suggest **two measures** to improve the reliability and representativeness of the survey.

Q97. Explain the **essential characteristics of Statistics**.

Also discuss **any three limitations of Statistics** and explain why statistical results should always be interpreted with caution.

Q98. The following raw data represent the daily wages (₹) of 40 workers:

240, 260, 280, 300, 320, 260, 280, 340, 360, 380,
250, 270, 290, 310, 330, 350, 370, 390, 240, 260,
280, 300, 320, 340, 360, 250, 270, 290, 310, 330,
350, 370, 390, 240, 260, 280, 300, 320, 340, 360

Prepare an **exclusive continuous frequency distribution** using a class interval of **₹20**.

State **two advantages** of presenting the data in this form.

Q99. Describe the **essential parts of a statistical table**.

Prepare a **dummy statistical table** on the topic "**Number of Students Appearing in Different Streams of Class XI**", ensuring that all the essential parts of a good table are included.

Q100. A survey was conducted among **360 households** regarding their monthly expenditure.

Item	Percentage of Total Expenditure
Food	35%
Education	20%
House Rent	25%
Transport	10%
Miscellaneous	10%

Answer the following:

- Calculate the **central angle** for each component to construct a pie diagram. (3)
- Which mode of presentation would be more suitable for this data—**Pie Diagram** or **Simple Bar Diagram**? Give **two reasons**. (2)
- Mention **one limitation** of the chosen method of presentation. (1)