Directorate of Education, GNCT Delhi
Practice Paper (Mid Term Examination)
Class XI
Economics (030)
Session (2026-27)

Time: 3 hours **Maximum Marks: 80**

General Instructions:

1) **This question paper has two sections:**
   Section A - Statistics for Economics (40 Marks)
   Section B – Introductory Microeconomics (40 Marks)
2) **In this question paper, Question numbers 1 to 10 and 18 to 27 are Multiple Choice Questions (MCQs), carrying 1 mark each.**
3) **Question numbers 11 to 12 and 28 to 29 are Very Short Answer Questions, carrying 3 marks each. Answer each of these in 60 to 80 words.**
4) **Question numbers 13 to 15 and 30 to 32 are Short Answer Questions, carrying 4 marks each. Answer each of these in 80 to 100 words.**
5) **Question numbers 16 to 17 and 33 to 34 are Long Answer Questions, carrying 6 marks each. Answer each of these in 100 to 150 words.**

Q. No. **Section A - Statistics for Economics** **Marks**

1 Read the following statements carefully: 1

Statement 1: Statistics deals only with quantitative data and aggregates of facts.
Statement 2: Statistical results are completely accurate and true for individual instances.
(Choose the correct alternative)

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.

2 Choose the **incorrect** statement from the following: - 1

a) The mid-point of a class interval is called the class mark.
b) A continuous variable can take any fractional value.
c) The upper limit of one class is always equal to the lower limit of the next class in the inclusive series.
d) The difference between the upper limit and lower limit is known as the class width.

3 Which of the following represents a spatial/geographical classification of data? 1

I. Classification of population data by country or state.
II. Classification of profit levels over consecutive quarters.
III. Classification of students based on their residence.
IV. Classification of literacy rates based on states.
(Choose the correct alternative)

Alternatives:
a) (I) and (II)
b) (I), (II) and (III)
c) (II) and (III)
d) (I), (III) and (IV)

4 Which of the following is a limitation of statistics? 1

(Choose the correct alternative)

Alternatives:

a) It simplifies complex facts into structured formats.
b) It cannot study qualitative phenomena directly without quantification.
c) It facilitates comparative assessment of multi-variate setups.
d) It assists in macroeconomic policy structuring.

5 Which of the following are classified as two-dimensional or area-based geometric diagrams? 1

I) Simple Bar Diagrams
II) Pie Diagrams
III) Component Bar Diagrams
IV) Histograms

Alternatives:

a) (I) and (III)
b) (II) and (IV)
c) (I), (II) and (III)
d) All of the above

6 The horizontal headings in a statistical table are formally called: 1

a) Captions
b) Stubs
c) Footnotes
d) Title heads

7. Choose the **incorrect** pair of facts from the given Column I and Column II: 1

Column I		**Column II**	
A.	Respondent	(i)	The person who provides answers /data.
B.	Pilot Survey	(ii)	Pre-testing of a questionnaire.
C.	Quota Sampling	(iii)	Random sampling.
D.	Primary Data	(v)	Data collected first-hand for a specific objective.

(Choose the correct alternative)

Alternatives:

a) A - I
b) B - II
c) C - III
d) D – IV

8. Read the following statements - Assertion (A) and Reason (R). Choose the correct alternative. 1

Assertion (A): The Mailed Questionnaire method has a very low response rate from respondents.

Reason (R): Respondents often lack interest or may return the incomplete questionnaire.

Alternatives:

a) Both Assertion (A) and Reason (R) are correct, and the given reason is the correct explanation of Assertion (A).
b) Both Assertion (A) and Reason (R) are correct, and the given reason is not the correct explanation of Assertion (A).
c) Assertion (A) is correct but Reason (R) is false.
d) Assertion (A) is false but Reason (R) is correct.

9. Read the following statements - Assertion (A) and Reason (R). Choose the correct alternative. 1

Assertion (A): The sum of deviations of items about arithmetic mean is always equal to zero.
Reason (R): Arithmetic mean is affected by extreme values.

Alternatives:

a) Both Assertion (A) and Reason (R) are correct, and the given reason is the correct explanation of Assertion (A).
b) Both Assertion (A) and Reason (R) are correct, and the given reason is not the correct explanation of Assertion (A).
c) Assertion (A) is correct but Reason (R) is false.
d) Assertion (A) is false but Reason (R) is correct.

10 Identify the statement that correctly represents the arithmetic mean: 1

(Choose the correct alternative)

Alternatives:

a) It is defined as the sum of the values of all observations divided by the number of observations.
b) The mean can be located graphically with the help of ogives.
c) The sum of deviations of the values from the mean is always maximum.
d) Arithmetic mean is a positional average.

11 What is meant by the exclusive method of data classification? Explain with the help of a suitable numerical example. 3

12 (A) Differentiate between Random Sampling and Non-Random Sampling methods. 3

OR

(B) Distinguish between census and sampling methods of data collection.

13 Calculate the arithmetic mean. 4

Class Interval	0-10	10-20	20-30	30-40	40-50	50-60
Frequency	5	12	18	22	8	5

OR

If $\bar{x}$ = 42, find the value of ‘***f***’ for the following: -

Marks	0-20	20-40	40-60	60-80	80-100
Number of Students	10	14	f	6	5

14 (a) ‘Study of statistics is an essential part of economic analysis.’ Defend or refute the statement with valid reason. 2

(b) Do you consider yourself a consumer? Why? 2

15 **Read the paragraph given below and answer the questions that follow:**

A group of five small-scale entrepreneurs record their daily operational profits. On a particular day, they report profits of ₹400, ₹450, ₹'P', ₹600, and ₹650 respectively. The arithmetic mean of the profits for all entrepreneurs is calculated to be ₹520.

Questions:

1. Determine the profit 'P' earned by the third entrepreneur. 2
2. If each entrepreneur is required to pay a profit tax of ₹50, compute the new mean profit. 1
3. Suppose the profits of all five entrepreneurs double due to a festive demand surge. What will be the new arithmetic mean profit? 1

16 Present the consumption expenditure of a family in the form of a pie diagram based on the following data. 6

S. No.	Items	Expenditure (%)
1	Food	35
2	Rent	25
3	Electricity	20
4	Education	15
5	Misc.	5

(For Visually Impaired Students in lieu of Q16.
What are the parts of a good statistical table.

17 A) Present the given data by a sub-divided bar diagram. 6

Year	Population		Total
	Rural Workers	Urban Worker	
2021	90	50	140
2022	95	60	155
2023	100	70	170
2024	110	80	190

For Visually Impaired Students in place of question 17 (A)
Differentiate between primary data and secondary data. Explain the suitability of each.

OR

(B)
The following data shows the marks obtained by 50 students in a Statistics exam. Classify the data into a **'Less Than' & 'More than' cumulative frequency distribution table**.

41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90 6

Section B - Introductory Microeconomics

18 Read the following statements carefully: 1

Statement 1: Every society has to face scarcity of resources.
Statement 2: **S**carcity of resources gives rise to the problem of choice.

(Choose the correct alternative)

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.

19 'A government must choose between subsidizing electric cars to control pollution or fully funding public bus transport for low-income commuters.' 1
Which central problem does this directly illustrate?

(Choose the correct alternative)

Alternatives:

a) How to produce?
b) For whom to produce?
c) What to produce and in what quantities?
d) When to produce?

20 Choose the **incorrect** pair of facts from the given Column I and Column II: 1

Column I		Column II	
A.	Opportunity Cost	(i)	Problem of selecting the technique of production.
B.	Positive Economic Analysis	(ii)	Deals with 'what is' and can be verified with actual data
C.	Normative Economic Analysis	(iii)	Deals with 'what ought to be'
D.	Microeconomics	(iv)	Studies the behavior of an individual economic unit.

(Choose the correct alternative)

Alternatives:

a) A - I
b) B - II
c) C - III
d) D – IV

21 Which of the following causes a rightward shift in the Production Possibility Curve (PPC)? 1

(Choose the correct alternative)

Alternatives:

(a) Destruction of resources due to a natural calamity
(b) Massive unemployment in the economy
(c) Inflow of foreign capital and advancement in technology
(d) Migration of skilled labour out of the country

22 In the case of a single commodity X, a consumer achieves maximum satisfaction (equilibrium) at the point where: 1

(Choose the correct alternative)

Alternatives:

a) $\frac{MU}{Px} < MU_m$
b) $MU_x \times P_x = MU_m$
c) $\frac{MUx}{Px} = MU_m$
d) $MU_x - P_x > MU_m$

23 Read the following statements - Assertion (A) and Reason (R). Choose the correct alternative. 1

Assertion (A): A drop in the market price of an inferior good leads a rational consumer to buy fewer units of that good.
Reason (R): For inferior goods, the income effect is negative.
Alternatives:

a) Both Assertion (A) and Reason (R) are correct, and the given reason is the correct explanation of Assertion (A).
b) Both Assertion (A) and Reason (R) are correct, and the given reason is not the correct explanation of Assertion (A).
c) Assertion (A) is correct but Reason (R) is false.
d) Assertion (A) is false but Reason (R) is correct.

24 Identify the **incorrect** statement: 1

a) If two goods are used jointly, an increase in the price of one will reduce the demand for the other.
b) Demand curve is downward sloping because of increasing marginal utility.
c) The demand for essential everyday items like salt does not change much when the price changes.
d) If a consumer stops liking a product, its demand curve will shift to the left.

25 Read the following statements carefully: 1

Statement 1: An Indifference Curve is convex to the origin due to a diminishing Marginal Rate of Substitution (MRS_{xy}).
Statement 2: A parallel outward shift of the budget line occurs if the market price of Good X falls while income remains constant.

(Choose the correct alternative)

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.

26 Choose the correct equation: 1

a) $MP_n = TP_n - TP_{n-1}$
b) $AP = TP \times Q$
c) $TP = \Sigma AP$
d) $MP = AP / Q$

27 If the Average Product (AP) of a variable factor at the 4^{th} unit is 15 and rises to 18 at the 5^{th} unit, what is the exact value of the Marginal Product (MP) at the 5^{th} unit? 1

(Choose the correct alternative)

Alternatives:

a) 3
b) 18
c) 30
d) 90

28 Distinguish between 'Decrease in Demand' and 'Contraction in Demand'. 3

OR

Distinguish between substitute goods and complementary goods, providing relevant real-world examples for each.

29 Suppose a consumer is consuming two commodities X and Y. Explain the adjustments the consumer will make to restore equilibrium if:

1. $MRS_{xy} > P_x / P_y$ 1.5
2. $MRS_{xy} < P_x / P_y$ 1.5

30 As a result of a 15% drop in the market price of a consumer good, its demand expands by 12 units. Find the initial quantity demanded if the price elasticity of demand is 2. 4

OR

When the market price of a item appreciates from ₹20 to ₹25 per unit, the consumer continues to purchase exactly 50 units. Compute the price elasticity of demand and interpret its result.

31 **Read, the following text carefully and answer the questions on the base of the same.**

A developing country with limited agricultural land and capital must decide whether to allocate its scarce resources toward building modern technology hubs or expanding small scale industries to ensure greater employment opportunity.

Questions : -

1) Identify the economic problem highlighted in this scenario. Explain why this problem forces the economy to make a choice? 2
2) What factors should the government evaluate when choosing between labor-intensive and capital-intensive production techniques? 2

32 **Read, the following text carefully and answer the questions on the base of the same.**

Rohan recently analyzed his household budget after noticing changes in market prices. He observed that when the price of petrol rose significantly, the demand for petrol-run cars dropped considerably in his city. Also, while planning his monthly purchase of fruits (Apples and Bananas), Rohan always prefers a basket containing 4 Apples and 5 Bananas over a basket containing 3 Apples and 5 Bananas, assuming both baskets cost within his budget.

Questions:-

(i) Identify the relationship between petrol and petrol run cars. Illustrate how an increase in the prices of petrol impacts the demand for petrol cars. 2

(ii) Rohan's preference for (4 Apples & 5 Banana) over (3 Apples & 5 Bananas) demonstrates which property of consumer behaviour? 2

33 A student receives of ₹1,200 to purchase two commodities: Notebooks (Good X) and Pens (Good Y). The price of a notebook is ₹60, which is exactly three times the price of a pen. Based on this information, answer the following questions:-

Questions:-

1. Frame the student's budget line equation. 2
2. Identify two distinct affordable bundles if the student decides to spend exactly ₹ 900. 2
3. Determine with reason whether the student can purchase a bundle containing 15 notebooks and 20 pens. 2

34 A) Identify the three phases in the **Law of Variable Proportions** and explain them with respect to Marginal Product from the following information: 6

Units of Variable Input	**Total Product (Units)**
0	0
1	5
2	16
3	25
4	31
5	35
6	37
7	37
8	34

OR

(B) Explain the relationship between the following:

i) Total Product (TP) and Marginal Product (MP) 3

ii) Average Product (AP) and Marginal Product (MP) 3