
CBSE Class 11 Economics
Sample Papers 01

Time: 3 Hours Max. Marks: 80

General Instructions:

1. All questions in both the sections are compulsory.
2. Marks for questions are indicated against each.
3. Question No 1-4 and 13-16 are very short-answer questions carrying 1 mark each. They are required to be answered in one sentence each.
4. Question No 5-6 and 17-18 are short-answer questions carrying 3 marks each. Answer to them should not normally exceed 60 words each.
5. Questions No 7-9 and 19-21 are also short-answer questions carrying 4 marks each. Answer to them should not normally exceed 70 words each.
6. Questions No 10-12 and 22-24 are long-answer questions carrying 6 marks each. Answer to them should not normally exceed 100 words each.
7. Answer should be brief and to the point and the above word limit be adhered to as far as possible.

SECTION - A

1. What is Economics?
2. What is the size of small sampling?
3. What is frequency?
4. Which one these is unaffected by outliers?
 - a. Mean
 - b. Inter-quartile Range
 - c. Standard Deviation
 - d. Range
5. Discuss the importance of statistics in Economics?
6. What are the fundamental differences between primary and secondary data? (3)

OR

What are the fundamental differences between bar chart and histogram?

7. Define histogram and Construct a histogram from given data:

Age in Month	40-60	60-80	80-100	100-120	120-140	140 & more
No. of Subject about mortality	11	15	13	7	7	2

8. Find the mean by direct method of the set of ages in the table below:-

Age (yrs)	10	11	12	13	14
No. of Students in class	0	8	3	2	7

OR

Define median and find the median in the set of numbers given below:-

15, 16, 15, 7, 21, 18, 19, 20, 11

9. Find the modal class and the actual mode of the data set below:-

Class Interval	0-4	4-7	7-10	10-13	13-16	16-19	19-22	22-25	25-28	28-31
Frequencies	7	6	4	2	2	8	1	2	3	2

10. A hen lays eight eggs. Each egg was weighed and recorded as, 60g, 56g, 68g, 51g, 53g, 69g & 54g. Find the Mean and Standard Deviation.

OR

What do mean by Lorenz Curve? What are the properties of it?

11. Find the value of the correlation coefficient from the following table :-

Sr.	Age 'X'	Glucose Level 'Y'
1	43	99
2	21	65
3	25	79
4	42	75
5	57	87
6	59	81

12. What do you mean by index number? Explain the types and uses of Index No.?

SECTION - B

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13. Who known as Architect of Indian Planning?
 14. What is Green Revolution?
 15. Pakistan adopt policy of denationalization and encouragement to private sector in-
 - a. 1960 s
 - b. 1970 s
 - c. 1980 s
 - d. 1990 s
 16. Abbreviate the SAARC.
 17. What is meant by 'Food or Work' Programme?

OR

What is meant by 'MNREGA'?

18. Write the three major sources of human capital in India.
19. Explain the economic reform in India in context of LPG policy.

OR

Differentiate between physical capital and human capital.

20. Distinguish between 'Green Revolution' and 'Golden Revolution'.
21. Differentiate between commercial and non-commercial sources of energy.
22. Define the following terms
 - (a) Disinvestment (b) Devaluation (c) Outsourcing

OR

(a) IMF (b) WTO (c) IBRD

23. Outline the some important steps to attaining sustainable development in India.
24. Explain the following-
 - a. Great Proletarian Cultural Revolution (GPCR)
 - b. Great Leap Forward (GLF)
 - c. Special Economic Zones (SEZ)

Answers

SECTION - A

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1. Economics is the way to adjustment between unlimited wants and limited or scarce resources through which maximum want may be satisfy.
 2. A Sample size 'N' of less than 30 elements / data is called small sampling.
 3. Frequency is the number of occurrences of a repeating event per unit time.
 4. (b) Inter-quartile Range
 5. Statistics play an important role in economics. Economics largely upon statistics.
 - i. National income accounts are multipurpose indicators for the economists and administrators.
 - ii. In economics research statistical methods are used for collecting and analysis the data and testing hypothesis.
 - iii. The relationship between supply and demands is studies by statistical methods, the imports and exports, the inflation rate, the per capita income are the problems which require good knowledge of statistics.
 6. The fundamental differences between primary and secondary data are discussed in the following points:
 - i. The term primary data refers to the data originated by the researcher for the first time. Secondary data is the already existing data, collected by the investigator agencies and organizations earlier.
 - ii. Primary data collection sources include surveys, observations, experiments, questionnaire, personal interview, etc. On the contrary, secondary data collection sources are government publications, website, books, journal article, internal records etc.
 - iii. Data collected through primary sources and more reliable and accurate as compared to the secondary sources.

OR

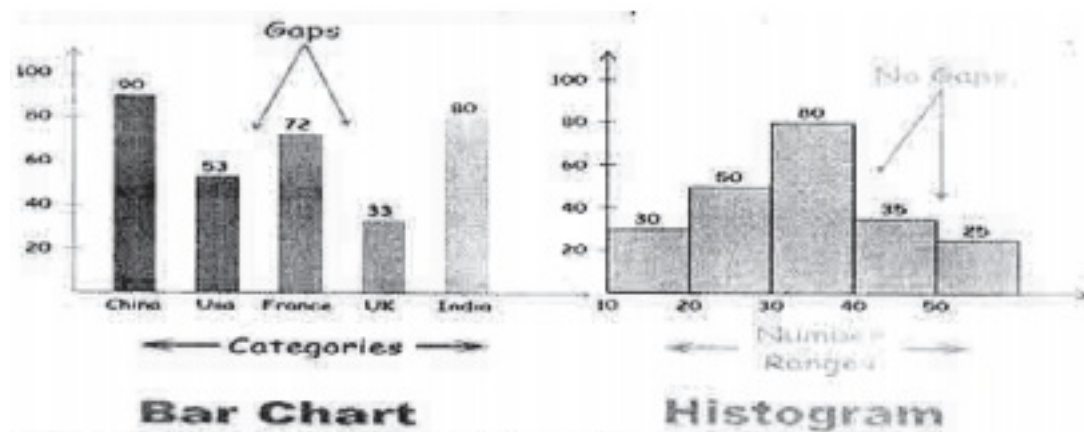
Difference between Histograms and Bar Charts

Bar Chart

- The columns are positioned over a label that represents a categorical variable.
- The height of the column indicates the size of the group defined by the categories.

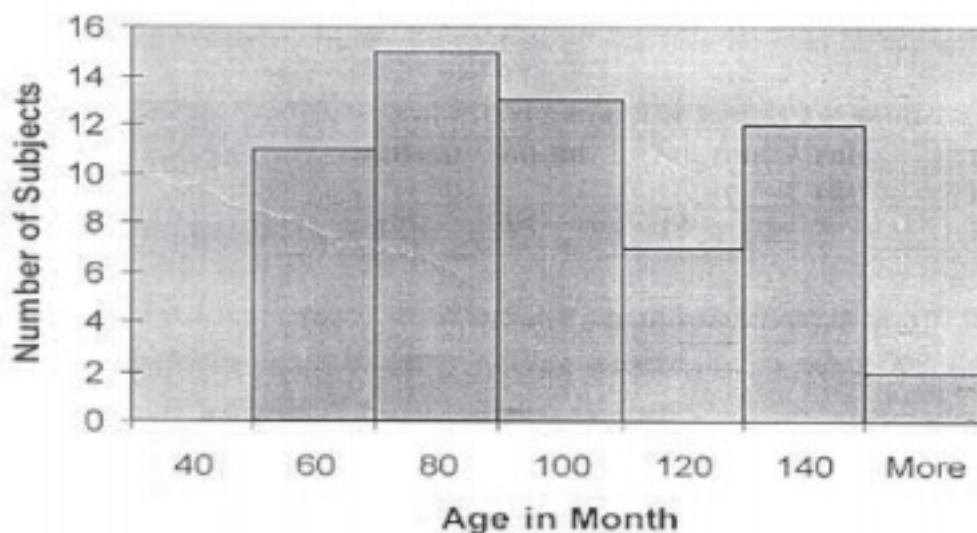
Histogram

- The columns are positioned over a label that represents a quantitative variable.
 - The column label can be a single value or a range of values.
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7. A histogram is a graphical representation of frequency distribution or cross sectional numerical data. A histogram consisting of rectangles whose area is proportional to frequency of a variable and whose width is equal to the class interval.

Age Distribution



8.

X	10	11	12	13	14
(f)	0	8	3	2	7	$\sum f = 0 + 8 + 3 + 2 + 7 = 20$
f.x	0	88	36	26	98	$\sum f.x = 0 + 88 + 36 + 26 + 98 = 248$

$$\bar{X} = \frac{\sum fx}{\sum f}$$

$$\bar{X} = \frac{248}{20}$$

$$\bar{X} = 12.4$$

Another Method of Calculating Mean

$$n = 0 + 8 + 3 + 2 + 7$$

$$n = 20$$

$$\text{sum} = (10 \times 0) + (11 \times 8) + (12 \times 3) + (13 \times 2) + 14 \times 7$$

$$\text{sum} = 0 + 88 - 36 + 26 + 98$$

$$\text{sum} = 248$$

$$\text{mean} = 12.4 \text{ years}$$

OR

Median:- The median is defined as the number in the middle of a given set of numbers arranged in order of increasing magnitude. When given a set of numbers, the median is the number positioned in the exact middle of the list when you arrange the numbers from the lowest to the highest. The median is also a measure of average. In higher level statistics, median is used as a measure of dispersion. The median is important because it describes the behaviour of the entire set of numbers.

From the definition of median, we should be able to tell that the first step is to rearrange the given set of numbers in order of increasing magnitude, i.e. from the lowest to the highest

7, 11, 15, 15, 16, 18, 19, 20, 21

Then we inspect the set to find that number which lies in the exact middle.

$\begin{array}{cccccccc} / & / & / & / & / & / & / & / \\ 7, & 11, & 15, & 15, & 16, & 18, & 19, & 20, & 21 \end{array}$

$$\text{median} = 16$$

9. Modal class = 10 - 13

$$\text{Mode} = L + \left(\frac{f_1 - f_0}{2f_1 - f_0 - f_2} \right) \times h$$

Where : $L = 10$, $f_1 = 9$, $f_0 = 4$, $f_2 = 2$, $h = 3$

$$\text{Mode} = 10 + \left(\frac{9-4}{(2 \times 9) - 2 - 4} \right) \times 3$$

Solving the above using the order of operations:

$$\text{Mode} = 10 + \left(\frac{5}{2} \right) \times 3$$

$$\text{Mode} = 10 + 1.25$$

$$\text{Mode} = 11.25$$

10. First, calculate the mean:

$$\begin{aligned} \bar{X} &= \frac{\sum x}{n} \\ &= \frac{472}{8} \end{aligned}$$

= 59

Now, find the standard deviation

Weight of eggs, in grams		
Weight (X)	(X - X)	(X - X) ²
60	1	1
56	-3	9
61	2	4
68	9	81
51	-8	64
53	-6	36
69	-10	100
54	-5	25
472		320

Using the information from the above table, we can see that

$$\sum (x - \bar{x})^2 = 320 :$$

In order to calculate the standard deviation, we must use the following formula:

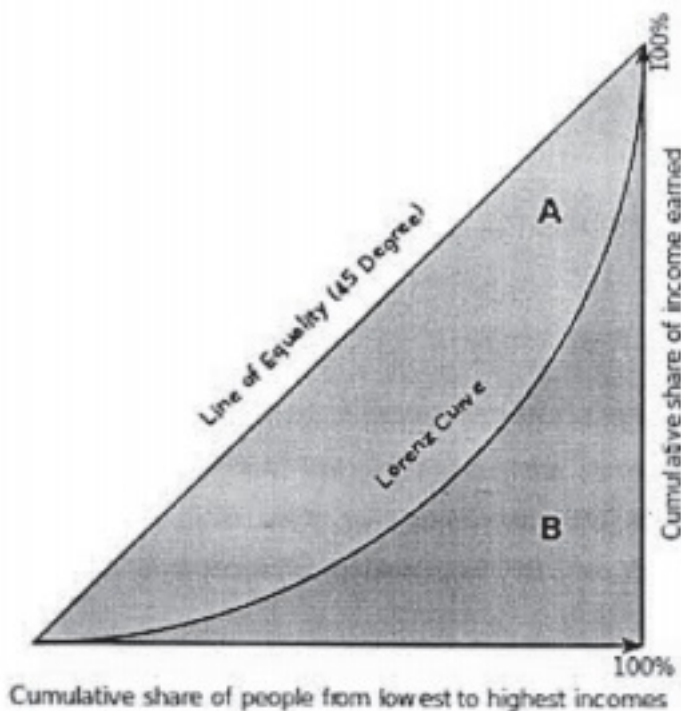
$$\begin{aligned} S &= \sqrt{\frac{\sum (x - \bar{X})^2}{n}} \\ &= \sqrt{\frac{320}{8}} \\ &= 6.32 \text{ grains} \end{aligned}$$

OR

In economics, the Lorenz Curve is a graphical representation of the distribution of income or of wealth. It was developed by Max O. Lorenz in 1905 for representing inequality of the wealth distribution.

The curve is a graph showing the proportion of overall income or wealth assumed by the bottom x% of the people, although this is not rigorously true for a finite population (see below). It is often used to represent income distribution, where it shows for the bottom x% of households, what percentage (y%) of the total income they have. The percentage of

households is plotted on the x-axis, the percentage of income on the y-axis. It can also be used to show distribution of assets. In such use, many economists consider it to be a measure of social inequality.



Properties of Lorenz Curve

- A Lorenz curve always starts at (0,0) and ends at (1,1).
- The Lorenz curve is not defined if the mean is zero or infinite.
- The Lorenz curve for a distribution is a continuous function.
- The information in a Lorenz curve may be summarized by the Gini coefficient.
- The Lorenz curve cannot rise above the line of perfect quality.

11.

Sr. No.	Age 'X'	Glucose Level 'Y'	XY	x^2	y^2
1	43	99	4257	1849	9801
2	21	65	1365	441	4225
3	25	79	1975	625	6241
4	42	75	3150	1764	5625
5	57	87	4959	3249	7569
6	59	81	4779	3481	6561
	247	486	20485	11409	40022

From our table:

$$\sum x = 247, \sum y = 486, \sum xy = 20,485,$$

$$\sum x^2 = 11,409, \sum y^2 = 40,022, 'n' = 6$$

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n \sum x^2 - (\sum x)^2][n \sum y^2 - (\sum y)^2]}}$$

$$r = 6(20,485) - (247 \times 486) / [6(11,409) - (247^2)] \times [6(40,022) - 486^2]$$

$$r = 2868 / 5413.27 = 0.529809$$

$$r = 0.5298$$

The range of the correlation coefficient is from -1 to 1.

Our result is 0.5298, which means the variable have a moderate positive correlation.

12. Index numbers are meant to study the change in the effects of such factors or variable (or a group of variables) over a specified time, which cannot be measured directly.

Types of Index Number:- Following types of index numbers are generally used-

- i. **Price Index Numbers:** These index numbers shows changes in the wholesale or retail prices.
- ii. **Quantity Index Numbers:** These index numbers measure changes in the volume or quantity of goods.
- iii. **Aggregate Index Numbers:** These index numbers are used to measure changes in a phenomenon like cost living, industrial production etc. Such index numbers involve both quantities and prices of items appropriate to given situation.

Use of Index Numbers:

- An index number is device for measuring changes in a variable ora group of related variables.
- The index number of industrial activity enables us to study the progress of industrialization in the country.
- These cost of living index numbers show changes in the prices of goods generally consumed by people.
- Index no.helps government to formulate its price policies.
- They are also used to evaluate the purchasing power of money.
- Index numbers are also being used for forecasting business and economic activities, business cycles etc.

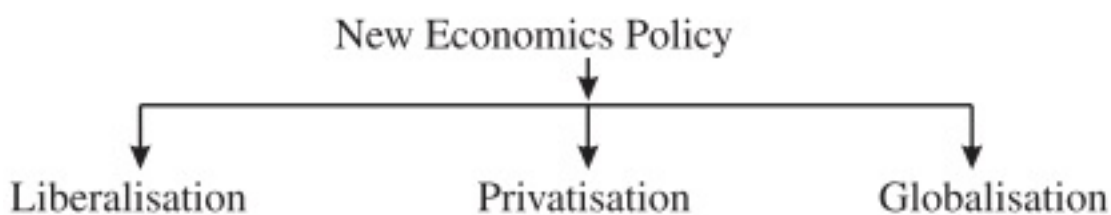
SECTION - B

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13. Prashant Chandra Mahalanobis
 14. Green Revolution was a period when India adopted the policy of using chemical fertilizers, pesticides and high-yield crop varieties to achieve high increase in crop population.
 15. (c) 1890s
 16. SAARC (South Asian Association for Regional Cooperation)
 17. Food for Work Programme initiated in 1970 and incorporated as the National Rural Employment Programme in the Sixth Plan. It started back in April 1977. The objective of the programme was to provide additional resources so that generation of supplementary wages employment and providing of food-security. It was renamed in November 2004 as National Food for Work Programme. This program was subsumed with the National Rural Employment Guarantee Act (NREGA) in February 2006.

OR

The Central Government formulated the National Rural Employment Guarantee Act (MGNREGA) in 2005. The Act covered 200 districts in its first phase, implemented on February 2, 2006, and was extended to 130 additional districts in 2007-08. All the remaining rural areas have been notified with effect from April 1, 2008.

- **Right based Framework:** For adult members of a rural household willing to do unskilled manual work.
 - **Time bound Guarantee:** 15 days for provision of employment, else unemployment allowance.
 - **Upto 100 days** in a financial year per household, depending on the actual demand.
18. Human capital refers to the stock of skill and, expertise of a nation at a point of time. Education, health, skill and training are considered an important input for the development of a nation. The three major sources of human capital in a country are -
 - i. Investment in education
 - ii. Investment in health
 - iii. Investment in skill and training
 19. The salient features of economic reform in India i.e. new economic policy are liberalisation, privatisation and globalisation of the economy (LPG policy).
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- i. **Liberalisation:** Simply speaking liberalisation means to free the economy from the controls imposed by the Govt. Before 1991, Govt. had put many types of controls on Indian economy. These were as follows: (a) Industrial Licensing System (b) Foreign exchange control- (c) Price control on goods (d) Import License
- ii. **Privatisation:** Simply speaking, privatisation means permitting the private sector to set up industries which were previously reserved for the public sector. Under this policy many PSU's were sold to private sector.
- iii. **Globalization:** Literally speaking Globalisation means to make Global or worldwide, otherwise taking in to consideration the whole world. Broadly speaking, Globalisation means the establishment of relations of the economy with world economy in regard to foreign investment, trade, production and financial matters.

OR

	Physical Capital		Human Capital
(i)	It increases physical goods.	(i)	It increases knowledge and efficiency.
(ii)	It is an economic and technical process.	(ii)	It is partly a social process.
(iii)	Physical capital is tangible.	(iii)	Human capital is intangible.
(iv)	It can be sold in the market.	(iv)	It can't be sold in the market.
(v)	The physical capital is separable	(v)	Human capital is not separable from its owner.
(vi)	Physical capital formation can be built even through imports	(vi)	Human capital formation is to be done through conscious policy formulations.

20.

S.No.	Green Revolution	Golden Revolution

(i)	The introduction of High- Yielding Varieties (HYV) of seeds and the increased use of fertilizers, pesticides and irrigation facilities are known as the Green Revolution.	The rapid growth in the production of diverse horticultural crops such as fruits, vegetables, tuber crops, flowers, medicinal and aromatic plants, spices and plantation crops is known as Golden Revolution.
(ii)	It led to increase in the production, especially, of rice and wheat.	It led to Increase in production of fruits. Vegetables, flowers, aromatic plants spices, etc.
(iii)	Green Revolution made India self- sufficient in the production of food grains.	Golden Revolution made India a world leader in the production of mangoes, bananas, coconut and spices.
(iv)	Green Revolution provided food security and raised agricultural incomes.	Golden Revolution provided nutrition and sustainable livelihood options.

21. Energy is an essential part of the development process of a nation. There are two types of sources of energy-commercial and non-commercial. The difference between the two is as follows

S.No.	Commercial Energy	Non-Commercial Energy
(i)	The sources of energy that are available at price are referred to as commercial energy.	The sources of Energy that are usually available free of cost to the users are referred to as noncommercial energy.
(ii)	Examples air, coal, petroleum, natural gas and electricity.	Examples are: Firewood, agricultural waste, dried dung.
(iii)	This form of energy is used for commercial purposes and domestic consumption mainly in urban areas.	This form of energy is used for domestic consumption mainly in rural areas.
(iv)	These are generally renewable.	There are generally exhaustible.

22.

- a. **Disinvestment:** In most contexts, disinvestment typically refers to sale to sale of shares from the government, partly or fully of a government-owned enterprise to private sector.
- b. **Devaluation:** Devaluation is a monetary policy tool used by govt. of a country officially, to reduce the price of domestic currency in respect of foreign currency or currencies group in huge quantity that have a fixed exchange rate or semi-fixed exchange rate.
- c. **Outsourcing:** Outsourcing is a practice used by different companies to reduce costs by transferring portions of work to outside suppliers rather than completing it internally. Outsourcing is an effective cost-saving strategy when used properly. It is sometimes more affordable to purchase a good from companies with than it is to produce the good internally.

OR

- a. **IMF:** The international Monetary Fund (IMF) is an international organization created for the purpose of standardizing global financial relations and exchange rates. The IMF generally monitors the global economy and its core goal is to economically strengthen its member countries. Specifically, the IMF was created with the intention of:
 - i. Promoting global monetary and exchange stability.
 - ii. Facilitating the expansion and balanced growth of international trade.
 - iii. Assisting in the establishment of a multilateral system of payments for current transactions.
 - b. **WTO:** The World Trade Organization (WTO) is an intergovernmental organization that regulates international trade. The WTO officially commenced on 1 January 1995 under the Marrakesh Agreement. signed by 123 nations on 15 April 1994, replacing the General Agreement on Tariffs and Trade (GATT). which commenced in 1948.
 - c. **IBRD:** The International Bank for Reconstruction and Development (IBRD) is an international financial institution that offers loans to middle-income developing countries. The IBRD is the first of five member institutions that compose the World Bank Group and is headquartered in Washington, D.C. United States. It was established in 1944 with the mission of financing the reconstruction of European
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nations devastated by World War II.

23. “Sustainable development is the development to meet the needs of present without compromising the ability of future generations to meet their own needs”. India is presently emerging as an economic super power, but in contrast, there is another profile of India. We constitute around 17% of the world's population. but account for about 35% of the poor and 40% of the illiterates in the world.

Some important steps to attaining sustainable development in India as follows-

- Forest Conservation
- Protection of Wetlands
- Conservation of Biodiversity
- Wildlife Conservation
- Environmental Impact Assessment
- Environment and Indian Constitution
- Role of Judiciary in Environmental Protection
- The National Green Tribunal
- Legislations on Environment
- National Environment Policy

24.

- a. **Great Proletarian Cultural Revolution (GPCR):** In 1965, Mao introduced the Great Proletarian Cultural Revolution (1966–76) under which students and professionals were sent to work and learn from the countryside.
 - b. **Great Leap Forward (GLF):** The Great Leap Forward (GLF) campaign initiated in 1958 aimed at industrialising the country on a massive scale. People were encouraged to set up industries in their backyards.
 - c. **Special Economic Zones (SEZ):** A special economic zone (SEZ) is an area in which business and trade laws are different from rest of the country. SEZs are located within a country's national borders. and their aims include: increased trade, increased investment, job creation and effective administration. To encourage businesses to set up in the zone, financial policies are introduced. The China opening first SEZ in 1979. The Special Economic Zones (SEZs) Policy was announced in April 2000 in India.
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