

# COMPETENCY BASED QUESTIONS

## AUGUST Economics - Class XI

- 1) **Assertion(A):** Multiple bar diagrams represent two or more sets of data simultaneously.

**Reason(R):** Multiple bar diagrams represent values of a set of data in terms of percentage.

*Mark only one oval.*

- 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

Ans - A is true but R is false

The values of a set of data in terms of percentage are presented in sub divided or percentage bar diagram

- 2) Identify the incorrect set of statements from the sets of statements given below \* 1 point  
in column I and column II

Column I	Column II
(i) Two variable graphs	(a) Data related to income-expenditure for the year 1996-97, 1997-98
(ii) Adjacent bars without any spacing	(b) Histogram
(iii) A curve drawn by joining the midpoints of tops of rectangles in a histogram.	(c) An ogive
(iv) Line to cover the gap between zero and the smallest value of the variable	(d) False base line

*Check all that apply.*

- (a) (i) - (a)
- (b) (ii) – (b)
- (c) (iii) – (c)
- (d) (iv) – (d)

Ans - ii) – (b)

A curve drawn by joining the midpoints of tops of rectangles in a histogram.

- 3) **Statement 1:** Frequencies are plotted in the form of vertical straight lines in line frequency graphs. \* 1 point

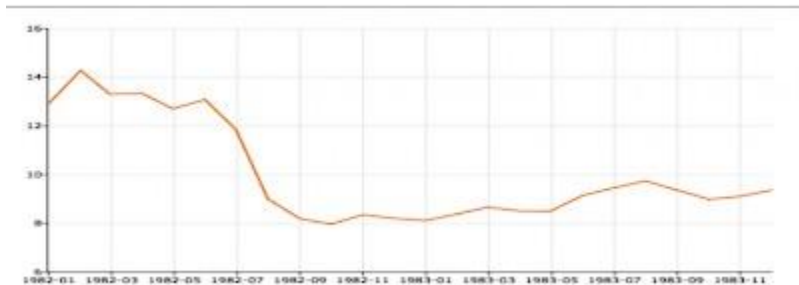
**Statements 2:** Histogram is a one dimensional diagram.

Mark only one oval.

- (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

Ans - Statement 1 is false and Statement 2 is true  
Histogram is a two dimensional diagram.

- 4) The given graph is a type of ..... graphs. \* 1 point



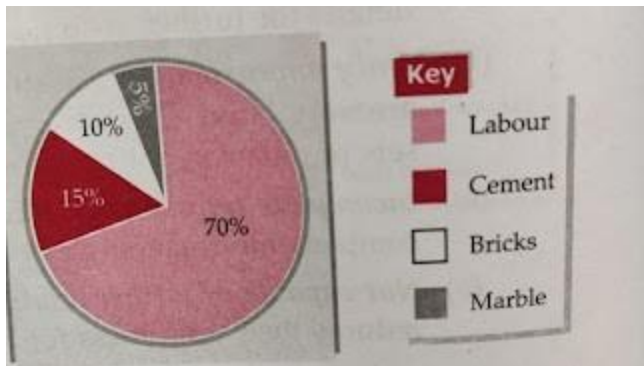
Mark only one oval.

- (a) Frequency distribution
- (b) Time series
- (c) Line frequency
- (d) Cumulative frequency

Ans - Time series

Time series graph is a line graph that visually represents data points collected over a period of time, with time typically displayed on the horizontal (x) axis

- 5) What will be the degree measure of expenditure on labour in the given diagram. \* 1 point



Mark only one oval.

- (a) 36
- (b) 126
- (c) 252
- (d) 70

Ans -  $70 \times 3.6 = 252$

- 6) **Assertion(A):** Budget line is a straight line assuming that the entire income is spent. \* 1 point

**Reason(R):** Slope of budget line is given by the ratio of change in price of good one to change in price of good two.

Mark only one oval.

- (a) Both Assertion (A) and Reason are true and Reason(R) is the correct explanation of Assertion (A).
- (b) Both Assertion (A) and Reason 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.

Ans – Assertion (A) is true but Reason(R) is false.

Slope of budget line is given by the ratio of price of good X to price of good Y.

7) **Statement 1:** When  $MU_x > P_x$ , the consumer decreases the consumption. \* 1 point

**Statements 2:** When  $MU_x$  is  $< P_x$ , the consumer increases the consumption

*Mark only one oval.*

- (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

Ans - Both Statements 1 and 2 are false

When  $MU_x > P_x$ , the consumer will increase the consumption and When  $MU_x$  is  $< P_x$ , the consumer will decrease the consumption

8) Slope of the Budget Line \* (a) point

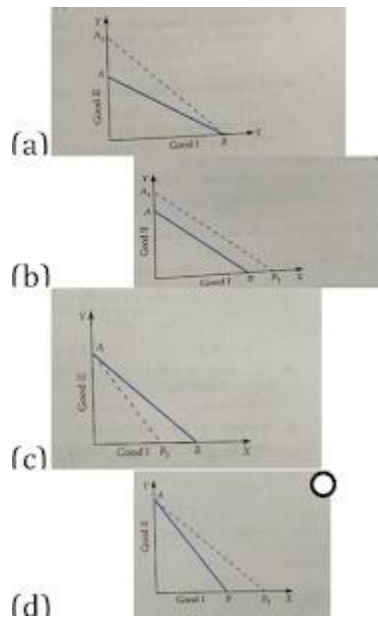
*Mark only one oval.*

- (a) Increases with the increase in the income of consumer
- (b) Increases with the decrease in the price of good shown on X axis
- (c) Increases with the increase in the price of good shown on Y axis
- (d) Is the ratio of the price of good shown on X axis and price of good shown on Y axis

Ans - d

Is the ratio of the price of good shown on X axis and price of good shown on Y axis. The slope of the budget line is determined by the ratio of the prices of the two goods. Slope =  $-P_x/P_y$

- 9) Identify the diagram in which an increase in income of the consumer is shown, given that there is no change in price of good I and price of good II \* 1 point



Mark only one oval.

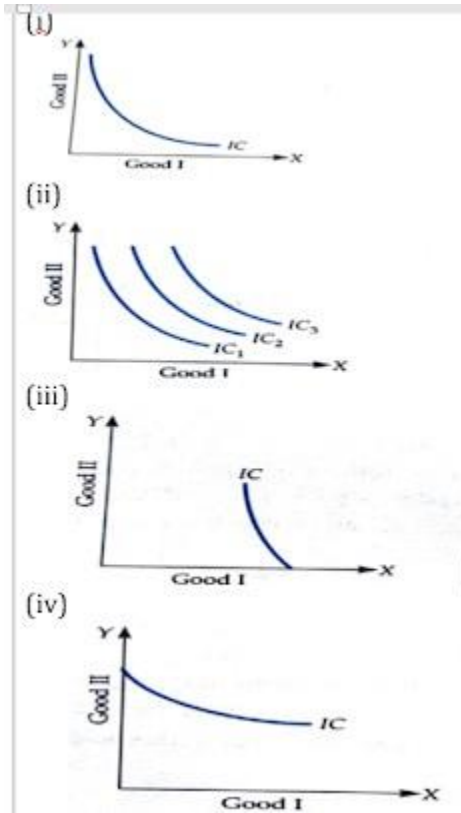
- Diagram a
- Diagram b
- Diagram c
- Diagram d

Ans - Diagram b

An increase in income of the consumer while there is no change in price of good I and good II causes a parallel rightward shift of the budget line.

10) Which of the following is not the property of indifference curve. \*

(a) point



Mark only one oval.

- (a) ( i ) & ( ii )
- (b) ( ii ) & ( iii )
- (c) ( i ) & ( iv )
- (d) ( iii ) & ( iv )

Ans - (d) (iii) & (iv)

Indifference curve never touches X- axis and Y- axis

