

**BCM SCHOOL, BASANT AVENUE  
DUGRI ROAD, LUDHIANA**

**CLASS – XI**

**ECONOMICS ASSIGNMENT**

**MAY 2025**

# Self Assessment Test

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Maximum Marks : 20

Time allowed : 45 min.

- Q.1 Which one of the following is a microeconomic study? (1)
- (a) Price level  (b) Money supply
- (c) Cotton textile industry  (d) Foreign exchange rate
- Q.2 Which of the following is an example of a Positive Economics? (1)
- (a) India should take steps to control rising prices.  (b) There are inequalities of income in our country.
- (c) India should not be an overpopulated country.  (d) Income inequalities should be reduced.
- Q.3 For the following statements, choose the correct option: (1)
- Statement I:** MRT is the rate at which the units of output of one good are sacrificed to produce an additional unit of the other good.
- Statement II:** The production possibilities (PP) curve is a graphical medium of highlighting the central problem of 'how to produce'.
- (a) Statement I is correct and Statement II is not correct.
- (b) Statement II is correct and Statement I is not correct.
- (c) Both the Statements I and II are correct.
- (d) Both the Statements I and II are not correct.
- Q.4 Draft a hypothetical schedule for a straight line Production Possibility Curve. (3)
- Q.5 State the central problems under 'problem of allocation of resources'. (3)
- Q.6 State giving reasons whether the following statements are true or false: (3)
- (a) A point above the PPC represents the growth of resources.
- (b) The concavity of PPC implies a diminishing marginal rate of transformation.
- (c) Massive unemployment shifts the PPC to the left.
- Q.7 A country produces two goods : Green Chilli and Sugar. Its production possibilities are shown in the following table. (3)
- (a) Plot the PPC and verify that it is concave to the origin.
- (b) What is the pattern in the table that gives rise to the concave shape of the PPC? (1)

Possibilities	Green Chilli	Sugar
A	100	0
B	95	1
C	85	2
D	70	3
E	50	4
F	25	5

- Q.8 Why does the problem of choice arise for producers and for consumers? (4)