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Subject: Microeconomics (Class 11) | **Max Marks:** 30

Worksheet: Introduction to Microeconomics | **Time Allowed:** 1 Hour

SECTION A: MULTIPLE CHOICE QUESTIONS (1 MARK EACH)

Q1. Which of the following is a central problem of an economy? **[1]**

(a) What to produce
(b) How to produce
(c) For whom to produce
(d) All of the above

Q2. Scarcity refers to a situation where: **[1]**

(a) Demand for resources is equal to their supply
(b) Demand for resources exceeds their supply
(c) Supply of resources exceeds their demand
(d) Resources have no alternative uses

Q3. Microeconomics deals with the study of: **[1]**

(a) National income
(b) Aggregate demand
(c) Individual economic units like a firm or consumer
(d) General price level

Q4. The Production Possibility Curve (PPC) is concave to the origin because of: **[1]**

(a) Increasing Marginal Opportunity Cost
(b) Decreasing Marginal Opportunity Cost
(c) Constant Marginal Opportunity Cost
(d) None of the above

SECTION B: SHORT ANSWER QUESTIONS (3 MARKS EACH)

Q5. Distinguish between Microeconomics and Macroeconomics. Give two examples of each. **[3]**

Q6. Explain the problem of "How to produce" with the help of suitable examples. **[3]**

Q7. What is Marginal Opportunity Cost (MOC)? Explain how its behavior shapes the Production Possibility Curve. **[3]**

SECTION C: LONG ANSWER QUESTIONS (4 MARKS EACH)

Q8. Differentiate between Positive Economics and Normative Economics. Provide relevant examples to support your answer. **[4]**

Q9. An economy produces two goods: Guns and Butter. The following table shows its production possibilities: **[4]**

Possibilities	Guns (units)	Butter (units)
A	15	0
B	14	1
C	12	2
D	9	3
E	5	4
F	0	5

(a) Calculate the **Marginal Opportunity Cost (MOC)** for each sequential step.
(b) Comment on the expected shape of the PPC based on your calculated MOC values.

SECTION D: CASE-BASED / ASSERTION-REASONING (4 MARKS)

Q10. Read the following statements carefully and choose the correct alternative: **[4]**

> ***Assertion (A):*** *A Production Possibility Curve (PPC) can shift to the right over time.*
> ***Reason (R):*** *National campaigns like the Clean India Mission, structured skill development programs, or an influx of foreign capital increase the total productive capacity of the economy.*

(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.

~ End of Worksheet ~

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