

BRAIN INTERNATIONAL SCHOOL

SUBJECT: ECONOMICS

CLASS-XI

June,2021

Ch1: Introduction

- Q1. Why is PPC downward sloping from left to right?
- Q2. What does increasing MOC along a PPC mean?
- Q3. Which factors lead to a shift of the PPC?
- Q4. What does a rightward shift of PPcurve indicate?
- Q5. What is economics all about?
- Q6. "Massive unemployment shifts the PPC to the left. Defend or refute.
- Q7. A lot of people die and many factories are destroyed because of severe earthquake in the country. How will it affect country's PPC
- Q8. Give two examples of under-utilisation of resources.
- Q9. Give two examples of growth of Resources.
- Q10. Why does technological advancement or growth of resources shift the PPC to the right.
- Q11. Why is PP curve concave to the origin.
- Q12. Does production take place on a PP curve? Explain.

Ch2: Consumer's Equilibrium

- Q1. What happens to MU when TU is maximum?
- Q2. State the condition of consumer equilibrium. (utility approach)
- Q3. When the price of good x rises, the demand for good y also rises. State the relationship between Good x & Good y?
- Q4. What happens to the budget set if both the prices as well as the income double?
- Q5. What does budget constraint refer to?
- Q6. Give the equation of budget line.
- Q7. Define monotonic preferences.
- Q8. Define Utility. Explain the relationship between TU & MU curves.
- Q9. Explain consumer's equilibrium in case of a single commodity with the help of utility schedule.
- Q10. Explain the equilibrium of a consumer from indifference curve approach. Use diagram.

Ch3 Demand

Defend or refute the following statements with reason:

- Q1. Demand for a commodity can exist independent of its price.
- Q2. Quantity demanded is a specific amount of a commodity that the consumer is ready to buy against a specific price, while demand is not.
- Q3. Demand for a commodity refers to the entire demand schedule.
- Q4. It is quantity demanded (and not demand for a commodity) that changes with respect to its own price.
- Q5. Marginal utility of each unit of a commodity adds up to total utility.
- Q6. Total utility will increase even when marginal utility decreases.
- Q7. Total utility is maximum when marginal utility starts declining.
- Q8. Increase in demand refers to extension of demand.
- Q9. Decrease in demand refers to contraction of demand.
- Q10. In case of inferior goods, law of demand fails.