GLOBAL
COLLEGE
OF MANAGEMENT

Model Questions-2077

Grade: XI Subject: Economics (3031) F.M.:75

SET-I

Candidates are required to give the answers in their own words as far as practicable. The figures in the margin indicate full marks.

Group A
Very Short Answer Questions

Attempt All Questions 11×1=11

1. What is an economic good?
2. If Supply function is: Q_s= 150 +10P and Demand function is:
   Q_d =300 – 20P, find the equilibrium price.
3. What is the closed economy?
4. How is the disposable income calculated?
5. What is the economic development?
6. Write any two features of Nepalese Economy.
7. Mention any two uses of mineral resources in the agriculture sector.
8. Write any two applications of internet.
9. Write any two uses of Mathematics in Economics.
10. Find the differential coefficient of $3x^2$.
11. Find the slope of the straight line passing through the points A (2, 3) and B (5, 7).

Group B
Short Answer Questions

Attempt All Questions 8×5=40

12. Explain the Marshallian definition of economics.
    Or
    What is labour? Explain its features. (1+4=5)

13. Explain the law of demand.

14. Answer the following questions based on the given table. (2.5+2.5=5)

Price (Rs./Kg)	5	10	15
Quantity supplied (kg.)	12	3	6

A. Find the elasticity of supply when the price of commodity increases from Rs.5 to 15.
B. Find the elasticity of supply when price of commodity decreases from Rs.15 to 10.

15. Answer the following questions based on the given table: (2+1.5+1.5=5)

(Unit of commodity)	(Total utility)	(Marginal utility)
1	5	
2	9	
3	12	
4	14	
5	15	
6	15	
7	14	
8	12	

A. Complete the given table.
B. Draw the total and marginal utility curves from the table.
C. Show the relationship between total and marginal utility curves.

16. Mention the functions of money.

17. Evaluate the causes of Nepalese economy lagging behind in the process of economic development.

18. Explain the effects of climate change the economy of Nepal.

19. Find the equation of straight line which passes through the point A (-5, 10) and makes equal intercepts on both axes.
    Or
    If the production function is given by: $Q + 4L + 3L^2 + 7L^3$, then solve the following questions:
    A. Find marginal production function.
    B. Find the marginal product when unit of labour is 5.

Group C
Long Answer Questions

Attempt All Questions   **3×8 = 24**

20. Answer the following questions based on the given table:

(land in Ropanies)	(Unit of Labour)	(Total product in K.g)	(Average product in Kg)	(Marginal product in (kg)
15	0	-	-	-
15	1	10		
15	2	30		
15	3	60		
15	4	80		
15	5	90		
15	6	90		
15	7	80		
15	8	60		

A.   Complete the table by computing the average product and marginal product.

B.   Show the three stages of production in a diagram and explain.

21. Why measurement of national income is more difficult in developing countries like Nepal? Explain.

22. Evaluate the efforts made for the modernization and commercialization of agriculture in Nepal.

Or

Examine the role of industrial sector in the economic development of Nepal.

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Group A
Very Short Answer Questions

Attempt All Questions   **11×1=11**

1. Define public goods with example.
2. Find income elasticity of demand if quantity demanded made by the consumer rises from 20 to 30 unit because of rise in income from Rs. 500 to Rs. 600.
3. Define open economy.
4. How is GDP of the nation calculated from expenditure method?
5. What is economic development?
6. Define natural resources.
7. Mention any two uses of forest resources in agriculture sector.
8. Write any two importance of transportation in industrial development.
9. State the use of Equation of Straight Line in Economics.
10. Find the differential coefficient of $x^3 + 2x$
11. Find the slope and Y intercept of the line whose equation is given as $3x + 4y = 5$.

Group B
Short Answer Questions

Attempt All Questions   **8×5=40**

12. Explain the Robbins' definition of economics.
13. Explain the law of supply.
14. Answer the following questions based on the given table   (2.5+2.5)

Price per unit (in RS)	20	30	40	50
Quantity Demanded (in unit)	10	8	6	4

    A. Find price elasticity of demand when price of the commodity rises from 30 to 40.

    B. Find price elasticity of demand when price of the commodity falls from 40 to 20.

15. Describe the law of returns to scale.
16. Describe demand pull inflation.
17. Explain the causes of low capital formation in Nepal.

18. What are the importance of mineral resource for economic development of the nation? Explain.
19. Find the equation of straight line which passes through the point (3, 5) and makes x intercept double than that of its y intercept.

Or

If the cost function is given by $C = Q^3 + 2Q^2 - 5Q$

    A. Find marginal cost function

    B. Find the marginal cost if level of output is 4

Group C
Long Answer Questions

Attempt All Questions   **3×8 = 24**

20. Let us suppose consumer purchases two commodities x and y. Per unit price of x is Rs. 2 and of y is Rs.3. Consumer has Rs.21 to spend. Answer the following questions based on the given table.

Unit of Goods	MU_X	MU_Y	MU_X/P_X	MU_Y/P_Y
1	20	21		
2	18	18		
3	16	15		
4	14	12		
5	12	9		
6	10	6		
7	8	3		

    A. Complete the given table.

    B. Find out quantities of both commodities which consumer will purchase to get maximum satisfaction at given budget.

    C. Draw the diagram to prove law of substitution.

21. Describe the product method of national income accounting.
22. Explain about the prospects of tourism industry development in Nepal.

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Candidates are required to give the answers in their own words as far as practicable. The figures in the margin indicate full marks.

Group A
Very Short Answer Questions

Attempt All Questions   **11×1=11**
1.   Define substitute goods with example.
2.   Find cross elasticity of demand if quantity demanded of commodity A made by the consumer rises from 5 to 7 unit because of rise in price of another related commodity B from RS 50 to RS 60.
3.   Define broad money supply.
4.   How is GDP deflator calculated?
5.   What is capital formation?
6.   Define sustainable development.
7.   Mention any two uses of agriculture sector in economic development of Nepal.
8.   Write any two importance of tourism industry.
9.   State the use of Derivative in Economics.
10. Find the differential coefficient of $\frac{1}{x^4}$
11. Find the equation of straight line whose X and Y intercepts are given as 2 and -3 respectively.

Group B
Short Answer Questions

Attempt All Questions   **8×5=40**
12. Distinguish between micro economics and macroeconomics.
13. Explain the factors causing the shift in demand curve.
14. Answer the following questions based on the given table.   (2+3)

Capital (In Unit)	Unit of Labor	Total product (in unit)	Average product (in unit)	Marginal Product (in unit)
10	0			-
10	1			2
10	2			4
10	3			6
10	4			4
10	5			2
10	6			0
10	7			-2

A.   Complete the given table
B.   State the relationship between TP & AP as well as TP & MP by drawing the diagram.
15. Describe the concept of consumer's surplus
16. Describe various types or kinds of money.
17. Evaluate the causes behind problems of natural resources management in Nepal.
18. What are the various indicators of economic development? Explain
19. Find the equation of straight line which passes through the point (2, 6) and ratio of x intercept and y intercept is 3:4 .

Or

If the revenue function is given by $R = 5Q^2 + 2Q - 4$
A.   Find marginal revenue function
B.   Find the marginal revenue if level of output is 5

Group C
Long Answer Questions

Attempt All Questions   **3×8 = 24**
20. If the demand function and supply functions are given as $Q_d = 80 - 2P$ and $Q_s = -20 + 3P$ then answer the following questions:

Per Unit Price (In RS)	Quantity Demanded (in Unit) $Q_d = 80 - 2P$	Quantity Supplied (in Unit) $Q_s = - 20 + 3P$
10		
15		
20		
25		
30		

A.   Complete the given table
B.   Calculate equilibrium price and quantity mathematically
C.   Find the demand curve and supply curve and calculate equilibrium price and   quantity graphically
21. Describe the Quantity Theory of Money.
22. Explain the nature and problems of agricultural marketing in Nepal.

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