



ECONOMICS

CH:2 CONSUMER'S EQUILIBRIUM AND DEMAND

Name: _____

Date: _____

Class: XI Sec: ____

I Very short answers (Answer in one sentence /one word)

1. Define demand
2. State law of demand.
3. Demand for good X decreases as price of good Y increases then the two goods are _____.
4. If a good is absolute necessity, then its price elasticity of demand is _____.
5. Draw a relatively inelastic demand.
6. Law of demand does not apply in the case of _____ goods.
7. Contraction of demand is the result of _____

II Short answer questions

- 1 State law of demand. Explain with a schedule and diagram.
- 2 Distinguish between normal good and inferior good. Use examples.
- 3 Distinguish between complementary good and substitute good with examples.
- 4 What does change in demand mean? Explain using diagram.
- 5 Define market demand curve. Explain with the help of a diagram.
- 6 Why does demand curve slope down ward? Explain the reasons behind this.

III Long answer type questions.

1. Define price elasticity of demand. State the meaning of five cases of price elasticity of demand with suitable diagram.
2. What are the important factors that influence price elasticity of demand for a good? Explain each
3. State the factors on which demand of a good by an individual consumer depends. Explain