

TIME 1 HOUR**TEST -DEMAND****MARKS 20**

- Q.1** Define Price elasticity of demand. **1**
- Q.2** What do you understand by Shift in demand curve. **1**
- Q.3** State the type of elasticity of demand if with the change in price of the commodity, total revenue changes in the opposite direction. **1**
- Q.4** If quantity demanded of commodity Y increases as price of X falls, what is the relationship between two good? **1**
- Q.5** In which direction the demand curve shifts when price of a Substitute good falls. **1**
- Q.6** .What causes a downward movement along a demand curve. **1**
- Q.7** How is the demand of an inferior commodity affected by the increase in the income of household consuming the commodity; explain with the help of a diagram. **3**
- Q.8** Explain the elasticity of demand at various point on the demand curve, when demand curve is a linear demand curve and touches both the axis. **3**
- Q.9** Explain the law describing relationship between price of the commodity and its demand with help of schedule and a curve. **3**
- Q.10** Explain Decrease in demand how it is different from contractions from demand. **3**
- Q.11** Explain the law of diminishing marginal utility as a cause for operation negative relationship between price of the commodity and it demand. **2**

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