



ECONOMICS

BOOKS - GOYAL BROTHERS

PRAKASHAN ECONOMICS (HINGLISH)

DEMAND

Exercises

1. A statement about demand of a good includes information about:

A. Price

B. Quantity

C. Period of time

D. All the above

Answer: D



View Text Solution

2. an "inferior" good is one which is:

A. A low quality good

B. A low priced good

C. Below the income status

D. All the above

Answer: C



View Text Solution

3. When demand for one good falls due to rise in price of the other good, the two goods are likely to be:

A. Complements

B. Substitutes

C. Competitive

D. Not related.

Answer: A



View Text Solution

4. "Change in quantity demanded" of a good is on account of change in:

A. Price of the related good

B. Own price of the good

C. Income of the buyer

D. Tastes.

Answer: B



View Text Solution

5. A demand curve "shifts" due to change in:

A. Tastes

B. Income

C. Price of the related goods

D. All the above

Answer: D



View Text Solution

6. Downward sloping demand curve shows that:

A. As price falls demand falls

B. As demand falls price falls

C. As price rises demand falls

D. As price rises demand rises

Answer: C



View Text Solution

7. Spot the inferior good:

A. Wheat

B. Bajra

C. Rice

D. None of the above.

Answer: D



View Text Solution

Short Answer

1. State the factors on which demand of a good by an individual consumer depends.

Explain one.



[View Text Solution](#)

2. Explain any two factors affecting demand of a good by an individual consumer.



[View Text Solution](#)

3. Distinguish between a normal good and an inferior good.



[View Text Solution](#)

4. Explain how change in income effects the demand of a good.



View Text Solution

5. Distinguish between substitute good and complementary goods by giving example.



View Text Solution

6. Explain how distribution of income affects the demand for a good.



[View Text Solution](#)

7. Define demand schedule. What is the main assumption behind this schedule?



[View Text Solution](#)

8. Define demand curve. What is the main assumption behind this curve?



[View Text Solution](#)

9. Explain the difference between change in demand and change in quantity demanded?



[View Text Solution](#)

10. What do you mean by increase and decrease of demand?



View Text Solution

11. What do you mean by extension and contraction of demand?



View Text Solution

12. Distinguish between extension and increase of demand.

 [View Text Solution](#)

13. Distinguish between decrease and contraction of demand.

 [View Text Solution](#)

Short Answer Ii

1. State the factors influencing market demand of a good . Explain any one.



View Text Solution

2. State the factors influencing demand by an individual consumer. Explain any two.



View Text Solution

3. Explain how prices of the related goods affect demand for a good.



[View Text Solution](#)

4. Distinguish between a normal good and an inferior good. Give one example of an inferior good.



[View Text Solution](#)

5. Define a complementary good. How does change in price of one complementary good affects demand for another complementary good? Give one example.



[View Text Solution](#)

6. Define market demand. How do population and distribution of income affect market demand?



[View Text Solution](#)

Long Answer

1. Define demand Explain the factors affecting demand by an individual consumer.



[View Text Solution](#)

2. State the factors influencing market demand of a good. Explain any two.



[View Text Solution](#)

1. Define the market demand.



[View Text Solution](#)

2. Why is a good called on normal good?



[View Text Solution](#)

3. When is a good called a normal good?





[View Text Solution](#)

4. Explain the meanings of normal goods and inferior goods.



[View Text Solution](#)

5. Distinguish between "Change in demand" and change in quantity demanded of a commodity.



[View Text Solution](#)

6. Define market demand. State the law of demand and the assumption behind it.



[View Text Solution](#)

7. Explain the effect of increase in income on demand of a good.



[View Text Solution](#)

8. Explain the effects of rise in prices of the related goods on demand of a good.



[View Text Solution](#)

9. What is the relation between good X and Y in each case. If with the fall in price of X demand for good Y (i) rises and (ii) falls? Give reasons.



[View Text Solution](#)

10. Demand for a good increases with the increase in the income of its buyer. True or false? Give reason.



View Text Solution

11. If the good X and Y are substitutes. A rise in the price of X will result in a rightward shift in demand curve of Y. true or False? Given reason.



View Text Solution

12. Distinguish between an inferior good and a normal good. Is a good which is inferior for one consumer also inferior for all the consumers? Explain.



View Text Solution

13. A and B are substitute goods. Explain the effect of rise in price of A on the demand for B.



View Text Solution

14. A and B are complementary goods. Explain the effects of change in price of A on demand for B.



View Text Solution

Value Based

1. Below poverty line households are given cash grant by government every month for purchasing wheat, a normal good. Explain its

effect on demand for wheat by these households. Use diagram.



Watch Video Solution

2. there is a mass campaign against consuming tobacco in the country. Explain, and show graphically. Its likely impact on market demand for tobacco.



Watch Video Solution