INDIAN SCHOOL NIZWA - WORKSHEET

ECONOMICS
CH:2- THEORY OF DEMAND

Name: ___________________ Date:_____________ Class: XII Sec: ___

1. What is meant by market demand?
2. Define demand schedule.
3. A straight line demand curve is given. What will be elasticity of demand on the mid point of this curve?
4. Why is demand of water inelastic?
5. Due to decrease in price of pen why does the demand of ink increase?
6. What is meant by extension of demand?
7. Name two determinants of consumer's demand for a commodity.
8. Why does the demand for coffee increase when the price of tea increases?
9. Law of demand must fail if less of a commodity is demanded even when income of the buyer rises. Explain True or False.
10. Differentiate between normal goods and inferior goods
11. Differentiate between Extension of demand and increase in demand.
12. Why should diamonds be priced so high and water be priced so low when water is essential to sustain life while diamonds are not
13. Suggest two policy initiatives that the govt can take through the market to decrease the consumption of diesel in the country, so that the environmental pollution is checked.
14. Suggest 2 policy initiatives to curb the consumption of narcotics in the country.
15. An individual can shift from the consumption of a normal good to the consumption of an inferior good. Explain.