

GIRLS' HIGH SCHOOL AND COLLEGE

2020-2021

CLASS: 12 C&D

Economics

Worksheet – 4

Chapter – Demand and Law of Demand

Note – Parents please ensure that your ward refers to the textbook, **ISC Economics Class 12 by D.K.Sethi and Mrs.U.Andrews by Frank publication** and the websites for at least two days to read and understand the chapter.

01.) www.economicdiscussion.net

02.) www.yourarticlelibrary.com

Answer in brief

- 1.) What type of relationship is found between price of the commodity and its demand?
 - 2.) What do you mean by normal goods?
 - 3.) When does a consumer buy less of a commodity at a given price?
 - 4.) What happens to the demand of a commodity if the price of its complementary goods changes?
 - 5.) Explain income effect.
 - 6.) State any two assumptions of the law of demand?
 - 7.) How is Law of Diminishing Marginal Utility responsible for the downward slope of the demand curve?
 - 8.) What are 'articles of snob appeal'?
 - 9.) State two causes of increase in demand and decrease in demand?
 - 10.) When does a demand curve shift
 - (a) Rightwards?
 - (b) Leftwards?
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Answer in detail

11.) Explain how the following are exceptions to the law of demand –

- (a) Expectation about future price?
- (b) Conspicuous consumption by a consumer?

12.) Discuss with the help of diagrams the concept of increase of demand and extension of demand.

13.) Distinguish between change in quantity demanded and change in demand of a commodity.

14.) Explain any three factors which lead to leftward shift of the demand curve.

15.) Discuss with examples the relationship between income of the consumer and demand for -

- (a) Normal goods.
- (b) Inferior goods.
- (c) Necessities.

END