

# LGS GROUP OF COLLEGES

Test #:M-2

XI

Ch: 03

Class: I.Com Part 1

Session: 2024 - 2026

Subject: Prin. Of Economics	Name: .....	Roll No: <input type="text"/>
Time: 60 Min.	Objective Type	Marks = 35

## SECTION-I OBJECTIVE TYPE

Note: Four possible answer A, B, C and D to each question are given. The choice which you think is correct, fill that circle in front of that question with Marker or Pen ink in the answer-book. Cutting or filling two or more circles will result in zero mark in that question. (01 x 09 = 09)

1)	The term demand in economics means:		
(A)	Desire	(B)	Purchasing power
(C)	Need	(D)	Both "a" & "b"

2)	Price and demand has a relationship:		
(A)	Functional	(B)	Positive
(C)	Negative	(D)	Direct

3)	Some inferior goods having expensive substitutes are known as:		
(A)	Giffen goods	(B)	Luxury goods
(C)	Economic goods	(D)	Alternative goods

4)	Movement on the same demand curve is called:		
(A)	Increase in demand	(B)	Rise and fall in demand
(C)	Decrease in demand	(D)	Expansion and contraction in demand

5)	Demand of giffen goods is:		
(A)	Negative	(B)	Vertical
(C)	Positive	(D)	Extraordinary

6)	In case of rise in demand, demand curve shifts:		
(A)	Left side	(B)	Upward
(C)	Downward	(D)	None of these

7)	When demand increases due to change in other factors it is known as:		
(A)	Expansion in demand	(B)	Contraction in demand
(C)	Rise in demand	(D)	Fall in demand

8)	Quantity of a commodity which is offered for sale in a market is called		
(A)	Trade	(B)	Supply
(C)	Demand	(D)	Stock

9)	Stock means the quantity		
(A)	Sold in market	(B)	Which is offered for sale
(C)	Which exist in warehouse	(D)	None of these

**SECTION-II****SUBJECTIVE TYPE****Part - I****2. Write short answers to any Eight (08) questions.****(08 x 2=16)**

- i. What is meant by demand?
- ii. Explain the term “market demand”.
- iii. Write any four causes of change in demand.
- iv. Why has demand curved a negative slop?
- v. Write four limitations of law of demand.
- vi. Define joint demand.
- vii. What are giffen goods explain with example?
- viii. Write the function of law of demand.
- ix. What is meant by supply?
- x. Define the law of supply in simple words.
- xi. Write any assumptions of law of demand.
- xii. What is meant by individual demand?

**Part - II****Note: Attempt any two from following questions.****(05 x 2 = 10)****Q # 3:** Explain law of demand with the help of table and diagram.**Q # 4:** Explain rise and fall in demand with the help of table and diagram.**Q # 5:** Describe the causes of rise and fall in demand.