16:1 multiplexer is used to send the value of the selected input line to the output line. The input line is selected based on the 4-bit binary number input using the select lines. If the select lines represent the binary number 0110 then the value of the 6th line (lines are numbered from 0 to 15) will be sent to the output line.

1:16 demultiplexer is used to activate one of the 16 output lines based on the 4-bit binary number entered into the demultiplexer, only if the enable line is 1. Say the number entered is 1010 (and enable is 1), then the 10th line (lines are numbered from 0 to 15) will get activated.