INDIAN SCHOOL DARSAIT
DEPARTMENT OF COMMERCE

Subject : Economics	Topic : Elasticity of Demand	Date of Worksheet : ___________
Resource Person: Ekta Gautam		Date of Submission: ___________
Name of the Student :_________________	Class & Division : _____	Roll Number : __

S.No.		Marks
1.	When is the demand for a good said to be inelastic?	1
2.	When is the demand for a good said to be perfectly inelastic?	1
3.	What is meant by price elasticity of demand?	1
4.	How is price elasticity related to a vertical straight line demand curve?	1
5.	Why is demand for water inelastic?	1
6.	Why is perfectly elastic demand curve parallel x-axis?	1
7.	What will be the effect of 10 per cent rise in price of a good on its demand if price elasticity of demand is (a) zero, (b) -1, (c) -2.	3
8.	Price elasticity of demand of Good X is -2 and of Good Y is -3. Which of the two goods is more price elastic and why?	3
9.	A consumer spends ₹ 200 on a good price at ₹ 5 per unit. When the price falls by 20 per cent, he continues to spend ₹ 200. Find the price elasticity of demand by percentage method.	3
10.	The price elasticity of demand for a good is -0.4. If its price increases by 5 per cent, by what percentage will its demand fall? Calculate.	3
11.	The demand for good rises from by 20 per cent as a result of fall in its price. Its price elasticity of demand is -0.8. Calculate the percentage fall in price.	3
12.	A 5 per cent fall in the price of good raises its demand from 300 units to 318 units. Calculate its price elasticity of demand.	3
13.	A consumer buys 27 units of a good at a price of ₹ 10 per unit. When the price falls to ₹ 9 per unit, the demand rises to 30 units. What can you say about price elasticity of demand of the good through the 'expenditure approach'?	3
14.	A 5 percent rise in price of a good leads to 5 percent fall in its price. A consumer buys 100 units of a good when price is ₹ 5 per unit. At what price will he buy 120 units? Calculate.	3
15.	The market demand for a good at ₹ 4 is 100 units. The price rises and as result its market demand falls to 75 units. Find out the new price if the price elasticity demand for that good is -1.	4

16. When the price of a commodity falls by ₹ 2 per unit, its quantity demanded increases by 10 units. Its price elasticity of demand is -2. Calculate its quantity demanded at the price before change which was ₹ 10 per unit. 4

17. When price of a commodity falls by ₹ 1 per unit, its quantity demanded rises by 3 units. Its price elasticity of demand is (-) 2. Calculate its quantity demanded if the price before change was ₹ 10 per unit. 4

18. When price of a good is ₹ 8 per unit a consumer buys 12 units. When price falls to ₹ 6 per unit he spends is ₹ 72 on the good. Calculate price elasticity of demand by using the percentage method. 4

19. Explain any two factors that affect the price elasticity of demand. Give suitable examples. 4

20. Explain the following price elasticity of demand with the help of a schedule and diagram: 4
    (a) When it is greater than 1
    (b) When it is less than 1