

Q17. Price elasticity of demand for a good is 1.3. If the consumer buys a certain quantity of this good at a price of Rs 8 per unit. When the price falls he buys 50% more qty. What is the new price.

Q18. Due to a 10% fall in price of a commodity, its qty demanded rises from 400 units to 450 units. Calculate its price elasticity of demand.

Q19. At a price of Rs 50 per unit, the qty. demanded of a commodity is 1000 units. When its price falls by 10%, its qty. demanded rises to 1080 units. Calculate its price elasticity of demand. Is its demand inelastic? Give reasons for your answer.

Q20. Price elasticity of demand of a good is (-) 1. The consumer buys 50 units of that good when price is Rs 2 per unit. How many units will the consumer buy if the price rises to Rs 4 per unit? (Use Total expenditure method)

bundles which cost him exactly ₹40.

Q9. Complete for MU. Also show relation between TU and MU diagrammatically using the values from this table.

Qty. consumed TU (utils)	1	2	3	4	5	6
	38	46	50	53	53	50

Q10. Find market demand from the following schedule and draw market demand curve:

Price (₹)	10	12	14	16	18
Qty by A	18	16	14	12	10
Qty by B	10	8	6	4	2
Qty by C	12	10	8	6	4

Q11. Given that demand function is  $Q_d = 100 - 5P$   
 (i) Calculate demand at price of ₹4.  
 (ii) Calculate demand at price of ₹6.

Q12. Calculate price elasticity of demand by expenditure method:

- (a) Price rises from ₹8 to ₹10, demand falls from 100 to 90.  
 (b) Price rises from ₹4 to ₹5 per unit, demand falls from 10 to 8 units.  
 (c) Price rises from ₹8 to ₹10, demand falls from 200 units to 200 units.

Q13. A person buys 10 units of a good at ₹6 per unit. When the price falls to ₹5 per unit he buys 14 units. Calculate degree of price elasticity of demand.

Q14. Given that price elasticity of demand is 1, a consumer buys 40 units at ₹1 per unit. At what price will he buy 36 units?

Q15. Suppose that initial demand was 100 units. With rise in price by ₹5, the quantity demanded decreases by 5 units. Elasticity of demand is 1.2. Find out initial price.

Q16. Elasticity of demand is (-) 3. If price rises from ₹10 to ₹12 per unit, what is the % change in demand?