

**BRAIN INTERNATIONAL SCHOOL**

**SUBJECT-ECONOMICS**

**CLASS-XI**

**DEC'24**

**CH: Price Determination and Simple Applications**

Q1. What determines the equilibrium price in a perfectly competitive market?

- a) Government regulations
- b) Demand and supply
- c) Monopolistic power
- d) Cost of production

Q2. If the demand for a product increases while the supply remains constant, what happens to the equilibrium price?

- a) It increases
- b) It decreases
- c) It remains constant
- d) cannot be determined

Q3. What happens when there is excess demand in the market? Illustrate with a diagram.

Q4. Explain the impact of an increase in demand on equilibrium price and quantity, assuming supply remains constant.

Q5. With the help of a diagram, explain how equilibrium is achieved in a competitive market when supply increases, keeping demand constant.

Q6. Price controls are a common intervention in markets. Explain the concepts of price ceiling and price floor, and their implications on the market equilibrium.

Q7. The market demand and supply schedules for a product are given below. Find the equilibrium price and quantity.

Price (per quantity)	Quantity demanded(units)	Quantity supplied(units)
10	50	20
20	40	40
30	30	60