A Linear Programmed Text (Information)
on
Competitive Equilibrium

Supervised by: —

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- Effect of Increase in Demand/Supply on Price
- Effect of Increase/Decrease in Supply on Price.

...
INSTRUCTIONS

You have been provided with a booklet from where you are required to learn the material at your own pace. Actually, this is a "Programmed Text" in which the content has been given in small bits. Each page of this booklet has been divided into two columns. The content has been given in the right hand side column between two parallel lines (------) and the responses are given in the left hand side column. In total there are two hundred and ninety five frames divided into three unit.

While going through the programme, you will find the following type of responses to be given by you:

1) When one or more than one dashes are given.
   e.g. Price is indicated on _______ and ______ is indicated on X- Axis
   (Here, you will write Y-axis and quantity for the first and the second dash respectively).

2) When one dash with two alternative answers is given.
   e.g. With the increase in demand, supply remaining the same, the price will increase/decrease(-----).
3) When an incomplete word and the number of dots completing it are given. e.g. when the demand increases, the price will also increase and when the demand decreases, the price will de......

(Here, you will complete the word decrease).

For making a humble start, please place a sliding paper on the left hand side column so that the responses given there are covered up completely. Now, read the frames one by one from the right hand column. When you have responded to a frame, confirm your answer by sliding down the paper in the left hand side column. Even if your answer is incorrect, you are not required to correct it. You will keep in mind the correct answer and move ahead to the next frame. But be sure that you have checked your answer before passing on to the next frame. It is must.

Do not make haste. Take your own time to do a particular frame. Do not look at the programme of others. Feel confident about your work and do not
skip over any frame, otherwise you will lose the link and the possibility of committing more mistakes will increase.

You will keep in mind while going through the programme that you grasp the material as you will be required to take a test after the completion of the programme.

Now, please start with it.

GOOD-LUCK.
### UNIT - I

**DETERMINATION OF EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE**

<table>
<thead>
<tr>
<th>X &amp; Y Axes - Variables measured on each</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LI-1</strong></td>
</tr>
<tr>
<td><strong>Straight</strong></td>
</tr>
<tr>
<td>X-axis is a horizontal straight line,</td>
</tr>
<tr>
<td>OA is X-axis as it is a horizontal</td>
</tr>
<tr>
<td>_______ line.</td>
</tr>
</tbody>
</table>

| **LI-2**                               |
| **Horizontal**                         |
| A horizontal straight line is called   |
| X-axis. OA is X-axis as it is a _______ |
| straight line.                         |

| **LI-3**                               |
| **X-axis**                             |
| OA is a horizontal straight line.      |
| Therefore it is _______ axis.          |

| **LI-4**                               |
| **Horizontal**                         |
| OB is not X-axis as it is not a _______ |
| straight line.                         |

| **LI-5**                               |
| **Straight**                           |
| OB is not X-axis as it is not a _______ |
| horizontal _______ line.              |
(2)

<table>
<thead>
<tr>
<th>X-axis</th>
<th>OB is not a horizontal straight line. Therefore OB is not _______axis.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>LI-6</strong></td>
</tr>
<tr>
<td>Straight</td>
<td>X-axis is a horizontal _________ line.</td>
</tr>
<tr>
<td></td>
<td><strong>LI-7</strong></td>
</tr>
<tr>
<td>Horizontal</td>
<td>X-axis is a straight line which is _________.</td>
</tr>
<tr>
<td></td>
<td><strong>LI-8</strong></td>
</tr>
<tr>
<td>Straight</td>
<td>Y-axis is a vertical straight line. OY is Y-axis as it is a vertical ________ line.</td>
</tr>
<tr>
<td></td>
<td><strong>LI-9</strong></td>
</tr>
<tr>
<td>Vertical</td>
<td>A vertical straight line is called Y-axis. OY is Y-axis as it is a ________ straight line.</td>
</tr>
<tr>
<td></td>
<td><strong>LI-10</strong></td>
</tr>
<tr>
<td>Y-axis</td>
<td>OY is a vertical straight line therefore, it is ________axis.</td>
</tr>
<tr>
<td></td>
<td><strong>LI-11</strong></td>
</tr>
</tbody>
</table>
(3)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(3)</td>
<td></td>
</tr>
<tr>
<td>Y-axis</td>
<td>OA is not a vertical straight line.</td>
</tr>
<tr>
<td></td>
<td>Thus, OA is not ________axis.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>LI-12</td>
<td></td>
</tr>
<tr>
<td>Straight</td>
<td>OA is not Y-axis because it is not</td>
</tr>
<tr>
<td></td>
<td>a vertical ________line.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>LI-13</td>
<td></td>
</tr>
<tr>
<td>Vertical</td>
<td>OA is not Y-axis because it is not</td>
</tr>
<tr>
<td></td>
<td>a ________ straight line.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>LI-14</td>
<td></td>
</tr>
<tr>
<td>Vertical</td>
<td>OY is Y-axis as it is a vertical</td>
</tr>
<tr>
<td></td>
<td>straight line and OA is not Y-axis</td>
</tr>
<tr>
<td></td>
<td>as it is not a ________ straight line.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>LI-15</td>
<td></td>
</tr>
<tr>
<td>Vertical</td>
<td>A vertical ________line is Y-axis.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>LI-16</td>
<td></td>
</tr>
<tr>
<td>Straight</td>
<td>Quantity is always measured on the</td>
</tr>
<tr>
<td></td>
<td>x-axis. Wheat is quantity.</td>
</tr>
<tr>
<td></td>
<td>Therefore wheat is measured on ______axis.</td>
</tr>
</tbody>
</table>
### (4)

| LI-18 | Quantities | Cotton, Rice and Wheat are measured on X-axis. Therefore these are _______.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LI-19</td>
<td>X-axis</td>
<td>Quantity is measured on _______ axis.</td>
</tr>
</tbody>
</table>
| LI-20 | OY         | Price is measured on Y-axis. OY is Y-axis. Thus, price is measured on _______.
| LI-21 | Price      | On Y-axis we measure price. OY is Y-axis. Therefore _______ is measured on OY.
| LI-22 | Y-axis     | Price is indicated on Y-axis. Price is indicated on OY. Therefore, OY is _______ axis. |
Price is indicated on ______ axis.

Price is measured on Y-axis and quantity is indicated on X-axis.

Price is indicated on Y-axis and quantity is indicated on ______ axis.

i) Y-axis
   Price is indicated on ______ axis and

ii) Quantity
    ______ is indicated on X-axis.

On X-axis quantity is measured and on Y-axis ______ is measured.

On X-axis, we measure ______ and on Y-axis we measure ______.
OX is X-axis. Thus, Quantity is measured on OX. OY is Y-axis. Therefore, _______ is measured on OY.

Demand curve is negatively sloped. DD is demand curve as it is _______ sloped.

The negatively sloped curve is demand curve. DD is negatively sloped, thus it is _______ curve.

i) Demand DD is _______ curve as it is _______ sloped.

ii) Negatively _______ sloped.

Demand curve is _______ sloped.
| Supply | Supply Curve | Supply Curve is positively sloped. SS is positively sloped, thus, it is curve.
| Positively | The positively sloped curve is Supply Curve, SS is Supply Curve as it is sloped.
| Supply | The positively sloped curve is curve.
| Positively | The Supply Curve is sloped.

**Point of intersection of Demand & Supply Curves.**

Supply | Point of intersection of demand and supply curves is the point where demand and supply curves cut each other. 'P' is the point where Demand and Supply Curves cut each other. Thus, P is the point of intersection of Demand and curves.
<table>
<thead>
<tr>
<th>Cut/Intersect</th>
<th>P is the point of intersection of demand and supply curves as at this point Demand and Supply curves ______ each other.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point of intersection</td>
<td>Demand and Supply curves intersect at P. Therefore, P is the ______ ______ of demand and supply curves.</td>
</tr>
<tr>
<td>Cut</td>
<td>Point of intersection of demand and supply curves is the point where Demand and Supply curves ______ each other.</td>
</tr>
<tr>
<td>Supply</td>
<td>Point of intersection of demand and supply curves is the point where demand and ______ curves cut each other.</td>
</tr>
</tbody>
</table>
**Demand**

Where demand and supply curves cut each other, that point is the point of intersection of demand and supply curves.

---

**Point**

Point of intersection of demand and supply curves is the \_\_\_\_\_\_\_ where demand and supply curves intersect.

---

**Point of intersection**

The point where demand and supply curves cut each other is the \_\_\_\_\_\_\_ of demand and supply curves.

---

**Point of intersection.**

Where demand is equal to supply, i.e., the point of intersection of demand and supply curves, P is the point where demand is equal to supply. Therefore, P is the \_\_\_\_\_\_\_ of demand and supply curves.
P is the point of intersection of demand and supply curves as at this point demand is equal to ________.

Point of intersection of demand and supply curves is the point where demand is equal to ________.

Point of intersection of demand and supply curves is the point where demand is equal to supply.

P is the point of intersection of demand and supply curves because at this ________ demand is equal to supply.

P is the point of intersection of demand and supply curves as at this point ________ is equal to supply.
(11) Determination of Equilibrium Quantity

Equilibrium Quantity

Equilibrium quantity is the quantity produced at the point where demand is equal to supply. 'P' is the point where demand is equal to supply. Thus, the quantity produced at 'P' is _______ ________.

Equal

Equilibrium quantity is produced at Point 'P' as at this point demand and supply are ________.

Supply

At point 'P' Equilibrium quantity is produced. Thus, demand is equal to _______ at this point.

Equal

The quantity produced at the point where demand and supply are ______ is equilibrium quantity.
| LI-56 | Demand | Equilibrium quantity is the quantity produced at the point where ________ is equal to supply. |
| LI-57 | Supply | 'P' is the point where demand is equal to ________. Thus, equilibrium quantity is produced at point 'P'. |
| LI-58 | Equilibrium Quantity | Equilibrium quantity is the quantity produced at the point where demand is equal to supply. OA is the quantity produced at the point where demand is equal to supply. Thus, OA is _________. |
| LI-59 | Equal | OA is Equilibrium quantity as it is the quantity produced at the point where demand and supply are _________. |
LI-60
Equilibrium quantity is the quantity produced at the point where demand is equal to _____.

LI-61
Equilibrium quantity is the quantity produced at the point where supply is equal to _____.

LI-62
For finding out Equilibrium quantity a perpendicular is drawn on the X-axis from the point of intersection of demand and supply curves. 'P' is the point of intersection of demand and supply curves. When perpendicular is drawn from 'P' on the X-axis, it will determine _____.

LI-63
'P' is the point of intersection of demand and supply curves. When perpendicular is drawn from 'P' on the _____ axis it will determine Equilibrium quantity.
<table>
<thead>
<tr>
<th>(14)</th>
<th>LI-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perpendicular</td>
<td>'P' is the point of intersection of demand and supply curves. For finding out Equilibrium quantity, a ________ is drawn on the X-axis from point 'P'.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LI-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point of intersection</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LI-66</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LI-67</th>
</tr>
</thead>
<tbody>
<tr>
<td>X-axis.</td>
</tr>
</tbody>
</table>
Equilibrium quantity is found out by drawing perpendicular on the X-axis from the point of intersection of _______ and supply curves.

From the point of intersection of demand and supply curves, a _______ is drawn on the X-axis for finding out Equilibrium quantity.

Equilibrium quantity is measured on the X-axis in terms of the distance of the perpendicular on the X-axis from the origin. The distance of the perpendicular on the X-axis from the origin is OA. Therefore, OA, is _______ _______.

OA is Equilibrium quantity as it is the distance of the perpendicular on the X-axis from the _______.

(15)
(16)

**LI-72**

**X-axis**

OA is Equilibrium quantity as it is the distance of the perpendicular on the ______ from the origin.

---

**LI-73**

**Perpendicular**

Equilibrium quantity is measured in terms of the distance of the ______ on the X-axis from the origin.

---

**LI-74**

**Distance**

Equilibrium quantity is found out by measuring the ______ of the perpendicular on the X-axis from the origin.

---

**LI-75**

**Distance**

OA is Equilibrium quantity as it is the ______ of the perpendicular on the X-axis from the origin.

---

**LI-76**

i) **Perpendicular**

Equilibrium quantity is measured in terms of the distance of the ______ on the ______ from the origin.

ii) **X-axis**
Equilibrium quantity is the distance of the perpendicular on the ______ from the ______.

The distance of the perpendicular on the X-axis from the origin will measure _______ _______.

Equilibrium price is the price charged at the point where demand is equal to supply. 'P' is the point where demand is equal to supply thus, the price charged at 'P' is _____________.

The demand and supply are equal at point 'P' therefore the price charged at point ______ is Equilibrium price.
Price  | At point 'P' the demand and supply are equal. Thus the ______ charged at point P is Equilibrium price.

Supply | The price charged at the point where demand and ______ are equal is Equilibrium price.

Demand | Equilibrium price is the price charged at the point where ______ and supply are equal.

Point  | The point where demand and supply are equal, the price charged at that ______ is Equilibrium price.

Equal  | The point where demand and supply are ______, the price charged at that point is Equilibrium price.
Equilibrium price is the price charged at the point where demand and supply are equal.

Equilibrium price is always found out on the Y-axis by drawing perpendicular on it from the point of intersection of demand and supply curves. 'P' is the point of intersection of demand & supply curves. When perpendicular is drawn on the Y-axis from 'P', we shall be able to find out Equilibrium price.

'P' is the point of intersection of demand, and supply curves, for finding out price, a perpendicular, is drawn on the Y-axis from 'P'.

(19)
LI-89

Y-axis

Demand and supply are equal at 'P'; a perpendicular is drawn on the ________ from 'P' for finding out Equilibrium price.

LI-90

P

When demand is equal to supply at 'P' a perpendicular is drawn on the Y-axis from ________ for finding out Equilibrium price.

LI-91

Supply

Equilibrium price is determined by drawing perpendicular on the Y-axis from the point of intersection of demand and ________ curves.

LI-92

Demand

For finding out Equilibrium price, draw perpendicular on the Y-axis from the point of intersection of ________ and supply curves.
<table>
<thead>
<tr>
<th><strong>Point of intersection.</strong></th>
<th>A perpendicular is drawn on the <strong>Y-axis</strong> from the ________ of demand and supply curves for finding out <strong>Equilibrium price.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Y-axis</strong></td>
<td>Draw perpendicular from the point of intersection of demand and supply curves on the ________ for finding out <strong>Equilibrium price.</strong></td>
</tr>
<tr>
<td><strong>Perpendicular</strong></td>
<td>Equilibrium price is determined by drawing ________ on the Y-axis from the point of intersection of demand and supply curves.</td>
</tr>
<tr>
<td><strong>Equilibrium price.</strong></td>
<td>Equilibrium price is measured on the Y-axis by finding out the distance of the perpendicular drawn on the Y-axis from the origin. The distance of the perpendicular drawn on the Y-axis from the origin is OB. Thus, OB is ________</td>
</tr>
</tbody>
</table>
Origin

OB is the Equilibrium price as it is the distance of the perpendicular drawn on the Y-axis from the origin.

Y-axis

OB will be Equilibrium price as it is the distance of the perpendicular drawn on the Y-axis from the origin.

OB

The distance of the perpendicular on the Y-axis from the origin is OB. Therefore _____ is Equilibrium price.

Y-axis

OB is Equilibrium price as it is the distance of the perpendicular drawn on the Y-axis from the origin.

Perpendicular

OB will be Equilibrium price as it is the distance of the perpendicular drawn on the Y-axis from the origin.
<table>
<thead>
<tr>
<th>(23)</th>
<th></th>
</tr>
</thead>
</table>
| **LI-102** | Origin  
Equilibrium price is measured by finding out the distance of the perpendicular on the Y-axis from the
|
| **LI-103** | Y-axis  
The distance of the perpendicular on the \[ \text{__________} \] from the origin determines Equilibrium price.
|
| **LI-104** | Distance  
Equilibrium price will be measured by finding out the \[ \text{__________} \] of the perpendicular on the Y-axis from the origin.
|
| **LI-105** | Perpendicular  
The distance of the \[ \text{__________} \] drawn on the Y-axis from the origin will determine Equilibrium price. |
Determination of Equilibrium quantity & Equilibrium Price

Li-106

i) Price
Equilibrium price is measured on the

ii) Quantity
Y-axis and Equilibrium quantity is measured on the X-axis. OY is Y-axis.
Therefore, Equilibrium _____ is measured on OY.
OX is X-axis.
Therefore, Equilibrium _____ is measured on OX.

Li-107

i) Y-axis
Equilibrium price is measured on OY

ii) X-axis
as it is ________.
Equilibrium quantity is measured on OX as it is ________.

Li-108

i) Equilibrium
______________ price is measured on

ii) Equilibrium
Y-axis. On X-axis ____________
quantity is measured.

Li-109

i) Y-axis
Equilibrium price is measured on

ii) X-axis
___________ and Equilibrium quantity is measured on _________.


EFFECT OF INCREASE/DECREASE IN DEMAND ON PRICE

Shifting of the Demand curve with the increase in Demand.

LI-110

Upward. With the increase in demand, supply remaining the same, the demand curve shifts in the right upward direction.

When the demand increases from OA to OA₁ the demand curve shifts in the right _______ direction.

LI-111

Demand

The demand has increased from OA to OA₁. Therefore, the ________ curve has shifted in the right upward direction.

LI-112

Right

The previous demand was OA. Now the demand increased to OA₁, thus, the demand curve will shift in the ________ upward direction.
LI-113
If the original demand was OA and the later demand is OA₁, the shift of the demand curve in the right upward direction shows □□□□□□□ in demand.

LI-114
When the demand increases with constant supply, the demand curve shifts in the right □□□□□□□ direction.

LI-115
The supply remains the same and demand increases, thus, shifting the demand curve in the □□□□□□□ upward direction.

LI-116
When the supply is constant and there is change in demand, if the demand curve shifts in the right upward direction it means the demand has □□□□□□□.
LI-117

Demand.  
With the increase in demand and constant supply, the _____ curve shifts in the right upward direction.

LI-118

Supply.  
Demand increases, thus the demand curve shifts in the right upward direction and there is no impact on the _____.

LI-119

Same.  
With the increase in demand, supply remaining the _____, the demand curve shifts in the right upward direction.

LI-120

Shift.  
If the demand increases, supply remaining the same, there will be right upward directional _____ in the demand curve.
The right upward directional shift of the demand curve shows that there is increase in _______ and the supply is same.

Determining Price with the Increase in Demand.

For finding out price, when demand increases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new demand curve. 

$P_1$ is the point of intersection of supply curve and new demand curve. A perpendicular is drawn from $P_1$ on Y-axis for finding out _______.

The supply curve and the new demand curve intersect at point $P_1$. For finding out price, a _______ is drawn on the Y-axis from $P_1$ with increase in demand.
P_1 is the point of intersection of supply curve and new demand curve. For finding out price, a perpendicular is drawn on the Y-axis from the point.

When demand increases, for finding out price, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new curve.

For finding out price with increase in demand, from the point of intersection of supply curve and demand curve, a perpendicular is drawn on the Y-axis.

Draw a perpendicular from the point of intersection of supply curve and new demand curve on the Y-axis for finding out price with the increase in demand.
Point of intersection, When the demand increases, and a perpendicular is drawn on the Y-axis from the _______ of supply curve and new demand curve, it will determine price.

With the increase in demand, for finding out price, a ________ is drawn on the Y-axis from the point of intersection of supply curve and new demand curve.

A perpendicular is drawn on the Y-axis from the point of intersection of _______ curve and new demand curve for determining price.

With the increase in demand, draw a perpendicular on the Y-axis from the point of intersection of supply curve and new demand curve for determining ________.
<table>
<thead>
<tr>
<th>Y-axis</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>When the supply curve and the new</td>
<td>demand curve intersect at point 'P' for finding out price.</td>
</tr>
<tr>
<td>demand curve intersect at point 'P'</td>
<td></td>
</tr>
<tr>
<td>a perpendicular is drawn on _______ from</td>
<td></td>
</tr>
<tr>
<td>P for finding out price.</td>
<td></td>
</tr>
</tbody>
</table>

**Effect of Increase in Demand on Price.**

<table>
<thead>
<tr>
<th>Increase</th>
<th>With the increase in demand at constant supply, the price will also increase. If the demand increases from 10 bags of sugar to 12 bags of sugar, the price will also ______.</th>
</tr>
</thead>
</table>

**LI-134**

<table>
<thead>
<tr>
<th>Price</th>
<th>With the increase in demand from 10 bags of sugar to 12 bags of sugar, the ______ will also increase.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Increases</th>
<th>The price increases when the demand ______ from 10 bags of sugar to 12 bags of sugar.</th>
</tr>
</thead>
</table>
(32)

LI-136
Increase. With the increase in demand, supply remaining the same, the price will increase/decrease (___________)

LI-137
Price. With the increase in demand at constant supply, the _______ will also increase.

LI-138
Increase. The supply is same and the price has increased showing an ________ in demand.

LI-139
Supply The price has increased with increase in demand, ________ remaining the same.

LI-140
Same. The price will increase with increase in demand and ________ supply.
Equilibrium price is the distance of the perpendicular on the Y-axis from the origin. If $OB_1$ is the distance of the perpendicular on the Y-axis from the origin, then $OB_1$ is the price.

**Determination of Equilibrium Price with the Increase in Demand.**

The distance of the perpendicular on the Y-axis from the origin is $OB_1$. Therefore, $OB_1$ is Equilibrium price.

$OB_1$ will be Equilibrium price as it is the _______ of the perpendicular on the Y-axis from the origin.

The distance of the perpendicular on the Y-axis from the origin determines Equilibrium _______.

LI-145
Origin.
Equilibrium price is the distance of the perpendicular on the Y-axis from the _________.

LI-146
Y-axis.
The distance between origin and perpendicular on the _________ is Equilibrium price.

LI-147
Distance.
Equilibrium price will be determined by finding out the ________ of the perpendicular on the Y-axis from the origin.

LI-148
Perpendicular
Equilibrium price is the distance of the _________ on the Y-axis from the origin.
| (35) |
|---|---|
| Shift of Demand Curve with the Decrease in Demand. | **LI-149** |
| Downward. | When the demand decreases, supply remains the same, the demand curve shifts in the downward direction. Originally the demand was OA when it has decreased to OA₂, the demand curve will shift in the _______ direction. |
| **LI-150** | Shift. When the demand decreases from OA to OA₂, the demand curve will _______ in the downward direction. |
| **LI-151** | Demand. When the demand decreases from OA to OA₂, the _______ curve will shift in the downward direction. |
| **LI-152** | Decrease. The demand curve will shift in the downward direction with the _____ in demand from OA to OA₂. |
When the demand decreases, supply remaining the same, the demand curve will ______ in the downward direction.

Demand decreases, supply remaining the same, there will be shift of the demand curve in the ______ direction.

When the demand curve has shifted in the downward direction and there is no change in supply, it shows the demand has ______.

The shifting of the demand curve in the downward direction is indicative of the fact that ______ has decreased and supply is constant.
<table>
<thead>
<tr>
<th>Supply</th>
<th>With the decrease in demand, the demand curve shifts in the downward direction at constant ________.</th>
</tr>
</thead>
</table>

**Effect of Decrease in Demand on Price.**

<table>
<thead>
<tr>
<th>Decrease</th>
<th>With decrease in demand, supply remaining the same, the demand curve shifts in the downward direction, thus lowering the price. If the demand decreases from 12 bags of sugar to 10 bags of sugar, the price will also ________.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Price</th>
<th>With the decrease in demand from 12 bags of sugar to 10 bags of sugar, the ________ will also decrease.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Decreased</th>
<th>The price decreased when 10 bags of sugar were demanded instead of 12 bags i.e. when the demand__________.</th>
</tr>
</thead>
</table>


LI-161
Price.
When the demand decreased, supply remaining the same, the demand curve shifts in the downward direction, thus, lowering the ________.

LI-162
Decreases.
With the decrease in demand, supply remaining the same, the price also ________.

LI-163
Demand
The supply remaining the same, when there is decrease in demand, the ________ curve shifts in the downward direction, thus lowering the price.

LI-164
Downward.
A fall in the price shows that demand has decreased at constant supply, thus, shifting the demand curve in the ________ direction.
Determination of Price with Decrease in Demand.

Price. For finding out price, when demand decreases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new demand curve. $P_2$ is the point of intersection of supply curve and new demand curve. A perpendicular is drawn from $P_2$ for finding out price.

When $P_2$ is the point of intersection of supply curve and new demand curve with the decrease in demand a perpendicular is drawn on the Y-axis from ______ for finding out price.
For finding out price with decrease in demand when \( P_2 \) is the point of intersection of supply curve and new demand curve, a perpendicular is drawn from \( P_2 \) on the \( Y \)-axis.

\( P_2 \) is the point of intersection of supply curve and new demand curve with the decrease in demand. For finding out price a perpendicular is drawn from \( P_2 \).

When demand decreases, for finding out price, a perpendicular is drawn in the \( Y \)-axis from the point of intersection of supply curve and new demand curve.

With the decrease in demand, to find out price, draw a perpendicular on the \( Y \)-axis from the point of intersection of supply curve and new demand curve.
A perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new demand curve for finding out price with ______ in demand.

Draw a perpendicular on the Y-axis from the point of intersection of new demand curve and ______ curve for finding out price.

When the demand decreases and we want to find out the price, from the point of intersection of supply curve and new demand curve a ______ is drawn on the Y-axis.

Draw a perpendicular on the Y-axis from the ______ ______ of supply curve and new demand curve for finding out price when demand decreases.
<table>
<thead>
<tr>
<th>Y-axis</th>
<th>Draw a perpendicular from the point of intersection of supply curve and new demand curve on the _____ for finding out price.</th>
</tr>
</thead>
</table>

### Directional shift of Demand Curve with the Increase or Decrease in Demand

<table>
<thead>
<tr>
<th>Downward</th>
<th>With the increase in demand, the demand curve shifts in the upward direction and with the decrease in demand, the demand curve shifts in the downward direction. DD is the original demand curve. With increase in demand it will shift in the upward direction and with the decrease in demand it will shift in the _____ direction.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upward</td>
<td>DD is the original demand curve. With the decrease in demand it will shift in the downward direction &amp; with increase in demand it will shift in the _____ direction.</td>
</tr>
</tbody>
</table>
When DD is the original demand curve, its shifts in the downward direction shows that demand has ________, and upward shift shows that demand has increased.

The shift of the original demand curve DD in the upward direction shows that demand has increased and its ________ in the downward direction shows that demand has decreased.

DD is the original demand curve, its shift in the downward direction shows that demand has decreased and upward shift of ______ shows that demand has increased.

DD is the original demand curve, with increase in demand DD will shift in the upward direction and downward shift of ______ curve DD shows that demand has decreased.
LI-183

Shift. With the increase in demand the original demand curve DD will shift in the upward direction, and with the decrease in demand DD will shift in the downward direction.

LI-184

DD The downward shift of the original demand curve DD shows that demand has decreased and upward shift of DD shows that demand has increased.

LI-185

Shifts When demand decreases, DD shifts in the downward direction and when demand increases, DD shifts in the upward direction.

LI-186

Downward When the demand increases, the demand curve shifts in the upward direction and when demand decreases, the demand curve shifts in the downward direction.
Upward

With the decrease in demand, the demand curve shifts in the downward direction and with the increase in demand it shifts in the increasing direction.

Increased.

When the demand curve shifts in the downward direction it shows that demand has decreased and when the demand curve shifts in the upward direction it means demand has increased.

Decreased.

The shift of the demand curve in the upward direction shows that demand has increased and its shift in the downward direction shows that demand has decreased.
Demand

When the demand curve shifts in the upward direction it means demand has increased and when it shifts in the downward direction, it shows decrease in 

---

Demand

With the decrease in demand, the demand curve shifts in the downward direction and with the increase in demand, the _____ curve shifts in the upward direction.

---

Effect of Increase/Decrease in Demand on Price.

---

Decrease

When the demand increases, the price will also increase and when the demand decreases the price will de.

---

Price

With the increase in demand, the price will increase and with the decrease in demand _____ will decrease.
Demand. When the price has increased it means there is increase in demand and when the price has fallen, there is decrease in ________.

Demand. When demand increases the price goes up and when ______ decreases price goes down.

Price. With the decrease in demand, price will decrease and with the increase in demand ______ will increase.

Increase. When the demand decreases, the price will decrease and when the demand increases price will ________.
UNIT III

EFFECT OF DECREASE/INCREASE IN SUPPLY ON PRICE.

Supply Curve with the Decrease in Supply.

LI-198
Upward. When supply decreases, demand remaining the same, the supply curve shifts in the upward direction.

The original supply was OA, when it decreases to OA₁, the supply curve will shift in the _______ direction.

LI-199
Shift When the supply decreases from OA to OA₁, the supply curve will______ in the upward direction.

LI-200
Supply When supply decreases from OA to OA₁, the ______ curve will shift in the upward direction.

LI-201
Decrease The original supply was OA. Now the supply curve has shifted in the upward direction showing ________ in supply from OA to OA₁.
Upward, LI-202

With the decrease in supply, demand remaining the same, the supply curve shifts in the _____ direction.

Shift, LI-203

When the demand remains the same and there is decrease in supply, the supply curve will _____ in the upward direction.

Supply, LI-204

With the decrease in supply, demand remaining the same, the _____ curve will shift in the upward direction.

Same, LI-205

With the decrease in supply, the supply curve shifts in the upward direction, demand remaining the _____.

Demand, LI-206

The supply curve shifts in the upward direction with the decrease in supply, _____ remaining the same.
Effect of Decrease in Supply on Price.

**LI-207**

**Increased.**

With the decrease in supply, the supply curve shifts in the upward direction, thus raising the price. When the supply decreased from 12 bags of sugar to 10 bags of sugar, the price increased.

**LI-208**

**Price.**

When 10 bags of sugar were supplied instead of 12 bags, the price increased.

**LI-209**

**Decreased.**

The price has increased when 10 bags of sugar were supplied instead of 12 bags i.e. when the supply increased.

**LI-210**

**Supply.**

When 10 bags of sugar were supplied instead of 12 bags, the price increased with the decrease in supply.
Price

When the supply decreases, the supply curve shifts in the upward direction, thus, raising the _____.

Raising

The shifting of the supply curve in the upward direction shows that supply has decreased thus _____ the price.

Upward

When the supply decreases, the price rises as the supply curve shifts in the _____ direction.

Shifted.

When the price has risen, it shows that supply has decreased, thus the supply curve has _____ in the upward direction.

Supply

With the decrease in supply, the price increases, thus, the _____ curve shifts in the upward direction.
Determination of Price with Decrease in Supply.

**LI-216**

**Price.**

For finding out price with decrease in supply, a perpendicular is drawn on the Y-axis from the point of intersection of demand curve and new supply curve.

$P_1$ is the point of intersection of demand curve and new supply curve. A perpendicular is drawn on the Y-axis from $P_1$ for finding out ________.

---

**LI-217**

$P_1$

With the decrease in supply, $P_1$ is the point of intersection of demand curve and new supply curve. For finding out price, a perpendicular is drawn on the Y-axis from ________.

---

**LI-218**

**Y-axis.**

$P_1$ is the point of intersection of demand curve and new supply curve with the decrease in supply. For determining price, a perpendicular is drawn from $P_1$ on the ________.
Perpendicular: For finding out price with decrease in supply, when $P_1$ is the point of intersection of demand curve and new supply curve, a perpendicular is drawn on the Y-axis from $P_1$.  

Y-axis: When the supply decreases, from the point of intersection of demand curve and new supply curve, a perpendicular is drawn on the _____ for determining price.  

Perpendicular: For finding out price with decrease in supply, from the point of intersection of demand curve and new supply curve a _____ is drawn on the Y-axis.  

Supply: A perpendicular is drawn on the Y-axis for finding out price with decrease in supply from the point of intersection of demand curve and new _______ curve.
LI-223

When supply decreases, for determining price, draw a perpendicular on the Y-axis from the point of intersection of demand curve and _____ supply curve.

LI-224

From the point of intersection of demand curve and new supply curve, a perpendicular is drawn on the Y-axis for finding out price when supply _______.

LI-225

For determining price when supply decreases, draw a perpendicular on the Y-axis from the _____ of demand curve and new supply curve.

LI-226

When supply decreases, for determining price, a perpendicular is drawn on the Y-axis from the point of intersection of new supply curve and _____ curve.
Supply!

LI-227

A perpendicular is drawn on the Y-axis from the point of intersection of demand curve & new supply curve for determining price with the decrease in _______.

Effect of Decrease in Demand/Supply on Price.

LI-228

Increased. With the decrease in demand, the price decreases and with the decrease in supply, the price increases.

When demand decreased from 15 bags of sugar to 10 bags of sugar, the price also decreased and when supply decreased from 15 bags of sugar to 10 bags of sugar, the price _______.

LI-229

Price.

With the decrease in demand from 15 bags of sugar to 10 bags of sugar, the price decreased and when supply decreased from 15 bags of sugar to 10 bags of sugar, the ______ increased.
Decreased
The previous demand was 15 bags of sugar and the final demand is 10 bags of sugar. Thus, the price will decrease. The price increased when the supply decreased from 15 bags of sugar to 10 bags of sugar.

Price.
The supply of sugar decreased from 15 bags of sugar to 10 bags of sugar, thus increasing the price. The demand decreased from 15 bags of sugar to 10 bags of sugar, thus lowering the price.

Decrease.
With the decrease in supply from 15 bags of sugar to 10 bags of sugar, the price will increase and with the decrease in demand from 15 bags of sugar to 10 bags of sugar, the price will increase.
LI-233
i) Decreased
   Supply of sugar decreases from 15 bags
   of sugar to 10 bags of sugar, thus,
   price increases and when only 10 bags
   of sugar are demanded instead of 15
   bags, it means demand has _______
   and thus the price will ________.

LI-234
Increases.
   With the decrease in demand, the price
   decreases and with the decrease in
   supply, the price increases/Decreases
   (__________).

LI-235
Price
   There will be increase in price with
   the decrease in supply and when demand
   decreases, there will be decrease in
   ________.

LI-236
Supply
   When the price decreases it means
   demand has decreased and when the
   price increases, there is decrease
   in ________.
Decreases. With the decrease in supply, the price increases, and with the decrease in demand the price increases/decreases.

Decrease The price will increase with the decrease in supply and it will decrease with the ______ in demand.

Price The price increases with the decrease in supply and with the decrease in demand the ______ decreases.

Supply Curve with the Increase in Supply

Downward With the increase in supply demand remaining the same, the supply curve shifts in the downward direction. Supply increases from OA to OA thus, supply curve will shift in the ________ direction.
Supply

With the increase in supply from OA to OA₂, there will be downward directional shift of the ______ curve.

Shift

When the supply increases from OA to OA₂, the supply curve will ______ in the downward direction.

Supply

The downward directional shift of the supply curve shows that _____ has increased from OA to OA₂.

Direction

When the supply increases at constant demand, the supply curve will shift ______ in the downward ________.

Increase

The shifting of the supply curve in the downward direction shows ______ in supply at constant demand.
<table>
<thead>
<tr>
<th>Shift</th>
<th>With the increase in supply, demand remaining, the same, the supply curve will _____ in the downward direction.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downward</td>
<td>Demand remaining the same and there is increase in supply, the supply curve will shift in the _____ direction.</td>
</tr>
<tr>
<td>Demand</td>
<td>The supply curve will shift in the downward direction with the increase in supply at constant _____</td>
</tr>
<tr>
<td>Supply</td>
<td>With the increase in supply at constant demand, there will be downward directional shift of the _____ curve.</td>
</tr>
</tbody>
</table>
(61)

Effect of Increase in Supply on Price.

LI-250
Decrease. With the increase in supply, the price decreases. If the original price of one bag of sugar is Rs. 10, when the supply increases, the price of each bag of sugar will ________.

LI-251
Increase. The price of one bag of sugar which was Rs. 10 will decrease with the ________ in supply.

LI-252
Price When the supply increases there will be decrease in the ________ of each bag of sugar.

LI-253
Supply There will be decrease in the price of each bag of sugar with the increase in ________.
The price will be \underline{\text{lowered}} with the increase in supply.

As soon as the supply of a particular commodity increases, its \underline{\text{price}} will decrease.

The fall in the price of a particular commodity shows that its \underline{\text{supply}} has increased.

For finding out price with increase in supply draw a perpendicular on the Y-axis from the point of intersection of demand curve and new supply curve.
Price

P₂ is the point of intersection of demand curve and new supply curve with the increase in supply. Draw perpendicular from P₂ on the Y-axis for finding out ________.

Y.

P₂ is the point of intersection of demand curve and new supply curve with the increase in supply. For finding out price a perpendicular is drawn from 'P₂' on the ____ axis.

Perpendicular

With the increase in supply, when P₂ is the point of intersection of demand curve and new supply curve from P₂, a ________ is drawn on the Y-axis for finding out price.

P₂

For finding out price with increase in supply when P₂ is the point of intersection of demand curve and new supply curve, a perpendicular is drawn on the Y-axis from ________.
<table>
<thead>
<tr>
<th>Increase</th>
<th>A perpendicular is drawn on the Y-axis from P₂ for finding out price, as P₂ is the point of intersection of demand curve and new supply curve with ______ in supply.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply</td>
<td>While determining price with increase in supply, a perpendicular is drawn on the Y-axis from the point of intersection of demand curve and new ______ curve.</td>
</tr>
<tr>
<td>New</td>
<td>With the increase in supply, draw perpendicular on the Y-axis from the point of intersection of demand curve and ______ supply curve.</td>
</tr>
<tr>
<td>Demand</td>
<td>Draw a perpendicular on the Y-axis from the point of intersection of new supply curve and ______ curve for determining price with increase in supply.</td>
</tr>
</tbody>
</table>

(64)
With the increase in supply, a perpendicular is drawn on the Y-axis from the point of intersection of demand curve and new supply curve.

For determining price with increase in supply from the point of intersection of demand curve and new supply curve, a perpendicular is drawn on the Y-axis.

For finding out price with increase in supply, from the point of intersection of demand curve and new supply curve, a perpendicular is drawn on the Y-axis.

A perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new demand curve for finding out price with increase in supply.
Effect of Increase in Demand/Supply on Price.

LI-270
Decreased. With the increase in demand price increases and with the increase in supply, price decreases. When the demand increased from OA to OA₁, the price also increased and when the supply increased from OA to OA₂, the price _________.

LI-271
Price The demand increased from OA to OA₁, thus increasing the price and when supply increased from OA to OA₂, the ________ decreased.

LI-272
Increase With the increase in demand from OA to OA₁ the price increased and the price decreased with the ________ in supply from OA to OA₂.
<table>
<thead>
<tr>
<th>LI-273</th>
<th>Supply</th>
<th>When the demand increased from OA to OA', the price increased and the price decreased when the ______ increased from OA to OA'.</th>
</tr>
</thead>
<tbody>
<tr>
<td>LI-274</td>
<td>Increased</td>
<td>When there was increase in supply from OA to OA', the price decreased and when there was increase in demand from OA to OA, the price ______.</td>
</tr>
<tr>
<td>LI-275</td>
<td>Price.</td>
<td>With the increase in supply from OA to OA', the price decreases and with the increase in demand from OA to OA, the ______ increases.</td>
</tr>
<tr>
<td>LI-276</td>
<td>Increases.</td>
<td>When the supply increases from OA to OA', the price decreases and when the demand increases/decreases (_____), the price increases.</td>
</tr>
<tr>
<td>Demand</td>
<td>With the increase in supply from OA to OA', the price decreases and with the increase in ____, the price increases.</td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td>---------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Decreases</td>
<td>With the increase in demand, price increases and with the increase in supply, price ______.</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>There will be increase in price with the increase in demand and decrease in ______ with the increase in supply.</td>
<td></td>
</tr>
<tr>
<td>Supply</td>
<td>With the increase in demand, price increases and with the increase in ____, price decreases.</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>When the supply increases, there is decrease in price and when the demand increases, there is increase in ______.</td>
<td></td>
</tr>
</tbody>
</table>
Increases.  With the increase in supply, price decreases and with the increase in demand, price decreases.

Effect of Increase/Decrease in Supply on Price

Price.  With the increase in supply, the price decreases and with the decrease in supply, the price increases.  When the supply increases from OA to OA₂, the price decreases and when the supply decreases from OA to OA₃, the price increases.

Increases.  When the supply increases from OA to OA₂, the price decreases and when the supply decreases from OA to OA₃, the price decreases.
Decreases. When the supply decreases from OA to OA₁, the price increases and when the supply increases from OA to OA₂, the price decreases.

Decrease. With the increase in supply from OA to OA₂, the price decreases and the price increases with the ______ in supply from OA to OA₁.

Price With the decrease in supply from OA to OA₁, the price increased and with the increase in supply from OA to OA₂, the ______ decreased.

Increases. When the supply decreases from OA to OA₁, the price increases and when the supply ______ from OA to OA₂, the price decreases.
| LI-290 | With the increase in supply, the price decreases and with the decrease in supply the price. |
| LI-291 | The price decreases with the increase in supply and there is increase in price with the decrease in supply. |
| LI-292 | The price will increase with the decrease in supply and it will decrease with the increase in supply. |
| LI-293 | The price decreases with the increase in supply and there is increase in price with the decrease in supply. |
| LI-294 | When the supply decreases, the price will increase and when the supply increases the price will increase/decrease ( ). |
| LI-295 | With the decrease in supply the price increases and with the increase in supply, the price decreases. |
Appendix A 2

A Linear Programmed Text (Skill) on Competitive Equilibrium.

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UNIT-I

Determination of Equilibrium Quantity and Equilibrium Price.

- Drawing of Axes and indicating the variables measured on each axis.
- Slope of Demand Curve
- Slope of Supply Curve
- Demand and Supply Curves
- Point of Intersection of Demand and Supply curves
- Determining Equilibrium Quantity by drawing Perpendicular on the X-axis from the Point of Intersection of Demand and Supply Curves.
- Determining Equilibrium Price by drawing Perpendicular on the Y-axis from the Point of Intersection of Demand and Supply Curves.
- Determination of Equilibrium Quantity and Equilibrium Price.

UNIT-II

Effect of Increase/Decrease in Demand on Price.

- Demand Curve with the Increase in Demand
- Marking the Point of Intersection of Supply Curve and New Demand Curve with the Increase in Demand.
- Finding out Equilibrium Quantity with the Increase in Demand from DD to $D_1D_1$.
- Finding out Equilibrium Price with the Increase in Demand from DD to $D_1D_1$.
- Price Comparison when Demand is DD and $D_1D_1$.
- Demand Curve with the Decrease in Demand from DD to $D_2D_2$, Supply remaining the same.
- Drawing Perpendicular on the Y-axis from the Point of Intersection of Supply Curve and New Demand Curve with the Decrease in Demand.
- Finding out Equilibrium Price with the Decrease in Demand.
- Finding out Equilibrium Quantity with the Decrease in Demand.
- Finding out Equilibrium Quantity and Equilibrium Price with the Decrease in Demand.
- Price Comparison with the Increase and Decrease in Demand.

UNIT-III

Effect of Increase/Decrease in Supply on Price.

- Supply Curve with the Increase in Supply at Constant Demand.
- Point of Intersection of Demand Curve and New Supply Curve with the Increase in Supply.
- Finding out Equilibrium Quantity with the Increase in Supply at Constant Demand.
- Finding out Equilibrium Price with the Increase in Supply at Constant Demand.
- Finding out Equilibrium Quantity and Equilibrium Price with the Increase in Supply.
- Supply Curve with the Decrease in Supply.
- Point of Intersection of Demand Curve and New Supply Curve with the Decrease in Supply.
- Finding out Equilibrium Quantity with Decrease in Supply.
- Finding out Equilibrium Price with the Decrease in Supply.
- Finding out Equilibrium Quantity and Equilibrium Price with the Decrease in Supply.
- Price Comparison with Increase and Decrease in Supply.
INSTRUCTIONS

You have been provided with a book-let from where you are required to learn the material at your own. Actually this is a "Programmed Text" in which the content has been given in small bits. Each page of this book-let has been divided into two columns. The content (skill) has been given in the right hand side column between two parallel lines, (==========) & the responses are given in the left hand side column. In total there are one hundred and eighteen frames divided into three units.

While going through the programme you will find the following type of responses to be given by you:

I) When an incomplete word with the number of dashes completing it are given:

Example

0____________X-axis

Qua.....

(In this case you will complete the word by writing 'Quantity'.)
2) When one or more dashes along with question marks ( ? ? ) are given:

Example

![Graph showing supply and demand curves with question marks indicated on axes.](image)

(Here, you will label the curve SS by writing 'Supply Curve' against the question-marks.)

3) When one or more question marks ( ? ? ) are given:

Example

![Graph showing axes labeled 'X' and 'Y' with question marks on axes.](image)

(Here, you will write 'X' and 'Y' against the axes measuring 'quantity' and 'price' respectively.)
4) When an incomplete diagram with question marks are given:

![Diagram](https://via.placeholder.com/150)

(In this example the one question-mark stands for the completion of the diagram and the other question-mark stands for the labelling of it.)

5) When a statement is given in the right hand side column.

Example:

- Draw the diagram to find Equilibrium Quantity
  (In this case you will do as directed.)

For making a humble start please place a sliding paper on the left hand side column so that the responses given there are covered up completely. Now read the frames one by one from the right hand side column. When you have responded to a frame, confirm your answer by sliding down the paper in the left hand side column.
Even if your answer is incorrect you are not required to correct it. You will only keep in mind the correct answer & move ahead to the next frame. But be sure that you have checked your answer before passing on to the next frame. It is a must.

Do not make haste. Take your own time to do a particular frame. Do not look at the programme of others. Feel confident about your work and donot skip over any frame, otherwise you will lose the link & the possibility of committing more mistakes will increase.

You will keep in mind while going through the programme that you grasp the material as you will be required to take a test after the completion of the programme.

Now, please start with it.

GOOD-LUCK.
UNIT-I
DETERMINATION OF EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE.

DRAWING OF AXES AND INDICATING THE VARIABLES MEASURED ON EACH AXIS.

LS-1

Y-axis

Price

X-axis

Quantity

LS-2

Price

Y-axis

P?

X-axis

Quantity
(2)
Draw the X and Y axes indicating the variables measured on each.

SLOPE OF DEMAND CURVE
Draw the demand curve & label it

SLOPE OF THE SUPPLY CURVE

Supply

Demand curve

Price

Quantity

Y-axis

X-axis

S

0

Price

Quantity

Y-axis

X-axis

Supply curve

S

0

Price

Quantity

Y-axis

X-axis

? curve

S

0
Draw the supply curve & label it.
DEMAND & SUPPLY CURVES

**LS-16**

![Demand and Supply Curve](image)

**LS-17**

![Demand and Supply Curve](image)

Supply

Demand
Draw the demand & supply curves and label them.

Point of intersection of demand & supply curves.
Point of intersection.

**LS-21**

Mark the point of intersection of Demand and Supply curves and label it.

**LS-22**

Mark the point of intersection of Demand and Supply curves and label it.
Determining equilibrium quantity by drawing perpendicular on the x-axis from the point of intersection of demand and supply curves.

Equilibrium quantity:

OA = Equilibrium quantity.

Diagram LS-23:

Diagram LS-24:
A, Equilibrium

LS-25

Draw the perpendicular on the X-axis from the point P and find out its distance from the origin.

OA = ________ ? quantity

LS-26

OA = Equilibrium quantity
DETERMINING EQUILIBRIUM PRICE BY DRAWING PERPENDICULAR ON THE Y-AXIS FROM THE POINT OF INTERSECTION OF DEMAND & SUPPLY CURVES.
**Equilibrium Price**

Draw the perpendicular on the Y-axis from the point \( P \) and find out its distance from the origin in terms of Equilibrium price.

**Equilibrium Price**
DETERMINATION OF EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE.

Equilibrium quantity

Equilibrium price

OBA = Equilibrium price
OBA = Equilibrium quantity

OBA = Equilibrium price

OBA = Equilibrium quantity

Draw the diagram showing Equilibrium quantity & Equilibrium price.
UNIT II

EFFECT OF INCREASE/DECREASE IN DEMAND ON PRICE

DEMAND CURVE WITH THE INCREASE IN DEMAND.

LS-36

Increase in demand.

LS-37
Demand curve with the increase in demand.

Demand curve with increase in demand.

Demand curve with the increase in demand.

Draw the demand curve with the increase in demand & label it.

\[ D, D_1 = \text{Demand curve with the increase in demand} \]
MARKING THE POINT OF INTERSECTION OF SUPPLY CURVE AND NEW DEMAND CURVE WITH THE INCREASE IN DEMAND.

Point of intersection of supply curve and new demand curve.

\[ P_1 = \text{Point of intersection of supply curve and new demand curve.} \]


Mark and label the point of intersection of supply curve and new demand curve with the increase in demand from DD.

$P_1 =$ Point of intersection of supply curve and new demand curve.
FINDING OUT EQUILIBRIUM QUANTITY WITH THE INCREASE IN DEMAND FROM D_0 TO D_1:

MS-44

Equilibrium Quantity

OA = Equilibrium Quantity

OA_1 = ? Quantity.
Find out the Equilibrium quantity with the increase in demand from DD to D1D1.

Equilibrium quantity

\[ DA_1 = \ \text{Equilibrium quantity.} \]
FINDING OUT EQUILIBRIUM PRICE WITH THE INCREASE IN DEMAND FROM D₀ TO D₀₁.

Equilibrium price:

\[ P_{eq} = \text{Equilibrium price}. \]

Equilibrium price:

\[ P_{eq} = \text{Equilibrium price}. \]
Find out the Equilibrium price with the increase in demand from DD to D₁D₂.

**PRICE COMPARISON WHEN DEMAND IS DD & D₁D₂**
Demand curve with the decrease in demand from DD to D₂D₂, supply remaining the same.

Draw the diagram to compare price when demand is DD & D₁D₁.
Demand curve with the decrease in demand.

Draw the demand curve with the decrease in demand from $D_D$ to $D_2$ and label it.

Y-axis
Price

X-axis
Quantity
Drawing of perpendicular on the Y-axis from the point of intersection of supply curve & new demand curve with the decrease in demand.

\[ \text{Perpendicular on the Y-axis from the point } P_2. \]

\[ \text{Perpendicular on the Y-axis from the point } P_2. \]
LS-61

Draw perpendicular on the Y-axis from the point of intersection of supply curve and new demand curve with decrease in demand.

LS-62

Perpendicular on the Y-axis from the point P_2

P_2 B_2
FINDING OUT EQUILIBRIUM PRICE WITH THE DECREASE IN DEMAND.

Equilibrium price

Equilibrium price = Quantity

Equilibrium price = Quantity

Equilibrium price = Quantity
FINDING OUT EQUILIBRIUM QUANTITY WITH THE DECREASE IN DEMAND

Find out the Equilibrium price with the decrease in demand from DO to D₂D₂.

Equilibrium quantity

OA₂ = Equilibrium price.
Find out the Equilibrium quantity with the decrease in demand from DD to D D'.
Finding out equilibrium quantity and equilibrium price with the decrease in demand.

\[ OA = \text{Equilibrium quantity} \]
\[ OB = \text{Equilibrium price} \]
Equilibrium price

LS-70

Draw the diagram showing Equilibrium quantity & Equilibrium price with the decrease in demand from DD to D_2D_2'.

Equilibrium quantity

OA_2 = Equilibrium quantity

OB_2 = Equilibrium price
PRICE COMPARISON WITH INCREASE AND DECREASE IN DEMAND.

LS-72

X-axis
Quantity

Demand
Price

D_1 D_1 OB_1
D_2 D_2 OB_2

Y-axis
Price

Demand
Price

D_1 D_1
D_2 D_2

X-axis
Quantity

0B_1

0B_2
Find out price when demand increases from D_1D_1 to D_2D_2 and when it decreases to D_2D_2.
UNIT-III

EFFECT OF INCREASE/DECREASE IN SUPPLY ON PRICE.

SUPPLY CURVE WITH INCREASE IN SUPPLY AT CONSTANT DEMAND.

Supply curve with the increase in supply.

Increase.

Supply curve with the decrease in supply.
S \cdot S_1 = \text{Supply curve with the increase in supply.}

\text{LS-77}

\text{LS-78}

\text{Draw the supply curve with the increase in supply from SS to S_1S_1.}

\text{LS-79}

\text{Point of intersection of demand curve and new supply curve with the increase in supply.}

P_1 = \text{Point of intersection of demand curve & new supply curve.}
Point of intersection

P₁ = Point of intersection of demand curve and new supply curve.

Mark & label the point of intersection of demand curve & new supply curve with the increase in supply.

P₁ = Point of intersection.
FINDING OUT EQUILIBRIUM QUANTITY WITH THE INCREASE IN SUPPLY AT CONSTANT DEMAND.

**Diagram Description:**

- **Price** axis is vertical.
- **Quantity** axis is horizontal.
- The demand curve `D` intersects with the supply curve `S`.
- **OA** = Equilibrium quantity.
- **P_A** = Perpendicular on the X-axis from the point of intersection of demand curve and new supply curve.
- **OA_1** = Equilibrium quantity.

**Equations:**

- \( P_A = \text{Perpendicular on the X-axis from the point of intersection of demand curve and new supply curve.} \)
- \( OA_1 = \text{Equilibrium quantity} \)
Perpendicular quantity on the X-axis

Equilibrium quantity on the X-axis

$P_{1A} = \text{Perpendicular on the X-axis}$

$O_1 = \text{Equilibrium quantity}$
FINDING OUT EQUILIBRIUM PRICE WITH THE INCREASE IN SUPPLY AT CONSTANT DEMAND.

Find out Equilibrium quantity with the increase in supply from SS to $S_{1}S_{1}$.

Equilibrium quantity $= \overline{OA_{1}}$

Equilibrium quantity $= \underline{?}$

$P_{A_{1}}$ = Perpendicular on the Y-axis from the point of intersection of Demand and Supply curves.

$OB_{1}$ = Equilibrium price.
Perpendicular on the Y-axis

$P_4B_1 = \text{Equilibrium price}$

Equilibrium price.

$P_4B_1 = \text{Perpendicular on the Y-axis.}$

$OB_1 = \text{Equilibrium price}$
Find out the Equilibrium price with the increase in supply from SS to S₁S₂.

Equilibrium price = OB₁

FINDING OUT EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE WITH THE INCREASE IN SUPPLY.

Equilibrium price = _______?
Equilibrium quantity

Equilibrium price.

Equilibrium price.
Equilibrium quantity = \( O A_1 \)
Equilibrium price = \( O B_1 \)

Find out Equilibrium quantity and Equilibrium price with the increase in supply from \( SS \) to \( S_1S_1' \).

Equilibrium quantity = \( OA_1 \)
Equilibrium price = \( OB_1 \)
SUPPLY CURVE WITH THE DECREASE IN SUPPLY.

Supply curve with the decrease in supply.

Supply curve with the decrease in supply.

Supply curve with the decrease in supply.

$S_1S_2 = \text{Supply curve with the decrease in supply.}$

Supply curve with the decrease in supply.

$S_1S_2 = \text{Supply curve with the decrease in supply.}$

$S_1S_2 = \text{Supply curve with the decrease in supply.}$
S_{2}^{'} = \text{Supply curve with the decrease in supply.}

\text{Point of intersection of demand curve and new supply curve with the decrease in supply.}

P_{2} = \text{Point of intersection.}
LS-101

Point of intersection

LS-102

Mark the point of intersection of demand curve and new supply curve with the decrease in supply from SS to S₂S₂.

Point of intersection
FINDING OUT EQUILIBRIUM QUANTITY WITH DECREASE IN SUPPLY.

**LS-103.**

Equilibrium quantity

Y-axis

Price

D

\( S_2 \)

\( S_2' \)

0---------- X-axis

\( A_2 \)

\( O_2 = \) Equilibrium quantity

**LS-104.**

Equilibrium quantity

Y-axis

Price

D

\( S_2 \)

\( S_2' \)

0---------- X-axis

\( A_2 \)

\( O_2 = \) Equilibrium quantity.
Find out Equilibrium quantity with the decrease in supply from SS to S_S_2.

\[ \text{Equilibrium quantity} \]

Finding out Equilibrium price with the decrease in supply.

\[ \text{Equilibrium price} \]

\[ \text{Equilibrium quantity} \]

\[ \text{Equilibrium price} \]
Find out Equilibrium price with the decrease in supply from S to $S_2$.

Equilibrium price = $p_2$.  

Equilibrium price = $p$.
FINDING OUT EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE WITH THE DECREASE IN SUPPLY.

\[ \text{Equilibrium quantity: } OA_2 \]
\[ \text{Equilibrium price: } OB_2 \]

\[ \text{Graphs: } \]

\[ \text{LS-109} \]

\[ \text{Graphs: } \]

\[ \text{LS-110} \]
Find out Equilibrium quantity and Equilibrium price with the decrease in supply from SS to SS'.

Equilibrium quantity = OA_2
Equilibrium price = OB_2
PRICE COMPARISON WITH INCREASE AND DECREASE IN SUPPLY

LS-114

Y-axis
Price

D
P_2
P_1
D

Suppy
Price
S_2
S_1
S_2
S_1

Y-axis
Price

D
P_2
P_1
D

X-axis
Quantity

Supply
Price
S_2
S_1
S_2
S_1

S_2
S_1

D_1
D_2

S_2
S_1

D_1
D_2
Supply

Price

Quantity

S_1 S_2

OB_1

S_1 S_2

OB_2

Price

Supply

Quantity

S_1 S_1

OB_1 = S_1 S_1

S_2 S_2

OB_2 = S_2 S_2
Find out the price when supply is $S_1, S_1$ and demand remaining the same.

<table>
<thead>
<tr>
<th>Supply</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>$S_1$</td>
<td>$P_1$</td>
</tr>
<tr>
<td>$S_2$</td>
<td>$P_2$</td>
</tr>
</tbody>
</table>

LS-118
A Mathematical Programme (Information)
on
Competitive Equilibrium

Supervised by: —
Dr. Harish Chandra Sharma
M.A; M. Ed; M. Phil; Ph.D.
Reader,
Department of Education,
Panjab University, Chandigarh.

Prepared by: —
Rajinder Kaur
M.A., M.Ed.; M. Phil
Assistant Professor (Education)
Directorate of Correspondence Courses
H. P. University, Simla.
Subject

-Determination of Equilibrium Price with the Increase in Demand
-Shift of Demand Curve with the Decrease in Demand
-Effect of Decrease in Demand on Price
-Determination of Price with Decrease in Demand
-Directional shift of Demand Curve with the Increase/Decrease in Demand
-Effect of Increase/Decrease in Demand on Price

UNIT - III

Effect of Decrease/Increase in Supply on Price

-Supply Curve with the Decrease in Supply.
-Effect of Decrease in Supply on Price
-Determination of Price with Decrease in Supply.
-Effect of Decrease in Demand/supply on Price.
-Supply Curve with the Increase in Supply
- Effect of Increase in Supply on Price
- Determining Price with the Increase in Supply
- Effect of Increase in Demand/Supply on Price
- Effect of Increase/Decrease in Supply on Price.
INSTRUCTIONS

You have been provided with a new type of learning material. This is called "Programmed Text" and the content to be learnt is presented in small bits. Each page of this book-let has been divided into two columns. The content for learning has been given in the right hand side column between two parallel lines (---). This is called an 'exercise'. In total there are two hundred and ninety five exercises divided into three units. At the beginning of every concept an exercise is given for which you are not required to give any response. You are requested to see this exercise very carefully for each and every concept. If you understand the pre-concept exercise, you will be in a position to respond correctly to every exercise for which the correct responses are given in the left hand side column.

For making a humble start please place a sliding paper on the left hand side column, so that the responses given are covered up completely. Now read the exercises one by one from the right hand side column. When you have responded to an exercise confirm your answer by sliding down the paper in the
left hand side column. You will find this type of response to be given by you:

When one or more than one dashes are given
e.g. Price is indicated on ________ and quantity is measured on ________

(Here, for the first dash you will write $X$-axis, and for another dash your answer will be $Y$-axis.)

The number of responses to be given by you will depend upon the number of dashes given in the exercise.

Please see that you do not strike off the answer even if it is incorrect after verifying from the left hand side column. Your duty is just to keep in mind the correct answer and move ahead to the next exercise. But, be sure, that you have checked your answer before passing on to the next exercise. It is must.

Do not make haste. Take your own time to do a particular exercise. Do not look at the programme of others. Feel confident about your work and do not skip over any exercise otherwise you will lose the link and the possibility of committing more mistakes will increase.
You will keep in mind while going through the programme that your grasp the material as you will be required to take a test after the completion of the programme.

Now, please start with it.

GOOD - LUCK.
UNIT-I

DETERMINATION OF EQUILIBRIUM QUANTITY & EQUILIBRIUM PRICE.

X & Y Axis - Variables measured on each.

<table>
<thead>
<tr>
<th>No response required</th>
<th>X-axis is a horizontal straight line.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OA is X-axis as it is a horizontal</td>
</tr>
<tr>
<td></td>
<td>straight line. OB is not X-axis as</td>
</tr>
<tr>
<td></td>
<td>it is not a horizontal straight line.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Straight</td>
</tr>
<tr>
<td>X-axis is a horizontal straight line.</td>
</tr>
<tr>
<td>OA is X-axis as it is a horizontal</td>
</tr>
<tr>
<td>straight line. OB is not X-axis as</td>
</tr>
<tr>
<td>it is not a horizontal _______ line.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-2</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Horizontal</td>
</tr>
<tr>
<td>ii) Straight</td>
</tr>
<tr>
<td>X-axis is a horizontal straight line.</td>
</tr>
<tr>
<td>OA is X-axis as it is a horizontal</td>
</tr>
<tr>
<td>straight line OB is not X-axis as it</td>
</tr>
<tr>
<td>is not a _________ line.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-3</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) X-axis</td>
</tr>
<tr>
<td>ii) Horizontal</td>
</tr>
<tr>
<td>iii) Straight</td>
</tr>
<tr>
<td>X-axis is a horizontal straight line.</td>
</tr>
<tr>
<td>OA is X-axis as it is a horizontal</td>
</tr>
<tr>
<td>straight line. OB is not _______ as it</td>
</tr>
<tr>
<td>is not a _________ line.</td>
</tr>
</tbody>
</table>
X-axis is a horizontal straight line.

OA is X-axis as it is a horizontal line. OB is not ______ as it is not a _______ line.

X-axis is a horizontal straight line.

OA is X-axis as it is a ______ line. OB is not ______ as it is not a _______ line.

X-axis is a horizontal straight line.

OA is ______ as it is a ______

X-axis as it is not a _______ line.

OA is ______ as it is a ______

X-axis as it is not a _______ line.
### MI-7

1. Straight  
2. X-axis  
3. Horizontal  
4. Straight  
5. X-axis  
6. Horizontal  
7. Straight  

**X-axis is a horizontal _______ line.**

OA is _______ as it is a _______ _______ line. OB is not _______ as it is not a _______ _______ line.

### MI-8

1. Horizontal  
2. Straight  
3. X-axis  
4. Horizontal  
5. Straight  
6. X-axis  
7. Horizontal  
8. Straight  

**X-axis is a _______ _______ line.**

OA is _______ as it is a _______ _______ line. OB is not _______ as it is not a _______ _______ line.

No response required

**Y-axis is a vertical straight line.**

OY is Y-axis as it is a vertical straight line. OA is not Y-axis as it is not a vertical straight line.
MI-9

i) Straight

Y-axis is a vertical straight line. OY is Y-axis as it is a vertical straight line. OA is not Y-axis as it is not a vertical line.

MI-10

i) Vertical

Y-axis is a vertical straight line.

ii) Straight

OY is Y-axis as it is a vertical straight line. OA is not Y-axis as it is not a line.

MI-11

i) Y-axis

Y-axis is a vertical straight line.

ii) Vertical

OY is Y-axis as it is a vertical straight line. OA is not ______ as it is not a _______ line.

MI-12

i) Straight

Y-axis is a vertical straight line.

ii) Y-axis

OY is Y-axis as it is a vertical line. OA is not ______ as it is not a _______ line.
(5)

MI-13

i) Vertical
ii) Straight
iii) Y-axis
iv) Vertical
v) Straight

<table>
<thead>
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<th>Y-axis is a vertical straight line.</th>
</tr>
</thead>
<tbody>
<tr>
<td>OY is Y-axis as it is a _______ line. OA is not ______ as it is not a line.</td>
</tr>
</tbody>
</table>

MI-14

i) Y-axis
ii) Vertical
iii) Straight
iv) Y-axis
v) Vertical
vi) Straight

<table>
<thead>
<tr>
<th>Y-axis is a vertical straight line.</th>
</tr>
</thead>
<tbody>
<tr>
<td>OY is ______ as it is a _______ line. OA is not ______ as it is not a _______ line.</td>
</tr>
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</table>

MI-15

i) Straight
ii) Y-axis
iii) Vertical
iv) Straight
v) Y-axis
vi) Vertical
vii) Straight

<table>
<thead>
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<th>Y-axis is a vertical ______ line.</th>
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<tbody>
<tr>
<td>OY is ______ as it is a ________ line. OA is not ______ as it is not a _______ line.</td>
</tr>
<tr>
<td>MI-16</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>i) Vertical</td>
</tr>
<tr>
<td>ii) Straight</td>
</tr>
<tr>
<td>iii) Y-axis</td>
</tr>
<tr>
<td>iv) Vertical</td>
</tr>
<tr>
<td>v) Straight</td>
</tr>
<tr>
<td>vi) Y-axis</td>
</tr>
<tr>
<td>vii) Vertical</td>
</tr>
<tr>
<td>viii) Straight</td>
</tr>
</tbody>
</table>

No response required

**Y-axis is a _______ _______ line.**

OY is _______ as it is a _______ line. OA is not _______ as it is not a _______ _______ line.

**Quantity is always measured on the X-axis. Wheat, rice, cotton are quantities. So these are measured on X-axis.**

**Quantity is always measured on the X-axis. Wheat, rice, cotton are quantities, so these are measured on _______.**

**Quantity is always measured on the X-axis. Wheat, rice, cotton are ________, so these are measured on _______.**
(7)

MI-19

i) X-axis

Quantity is always measured on the

ii) Quantities

Wheat, rice, cotton are

iii) X-axis

so, these are measured

on ____________.

MI-20

i) OY

Price is indicated on Y-axis. OY is

Y-axis, thus price is measured on ____________.

MI-21

i) Price

Price is indicated on Y-axis.

ii) OY

OY is Y-axis, thus, ______ is

measured on ______.

MI-22

i) Y-axis

Price is indicated on Y-axis OY is

ii) Price

, thus ________ is measured on

iii) OY

______.
<table>
<thead>
<tr>
<th>MI-23</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>i) Y-axis</td>
<td>Price is indicated on ______. OY</td>
</tr>
<tr>
<td>ii) Y-axis</td>
<td>is _____, thus, _____ is measured on _____</td>
</tr>
<tr>
<td>iii) Price</td>
<td></td>
</tr>
<tr>
<td>iv) OY</td>
<td></td>
</tr>
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<table>
<thead>
<tr>
<th>MI-24</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) X-axis</td>
<td>Price is indicated on Y-axis &amp; quantity is measured on ______.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-25</th>
<th></th>
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<tbody>
<tr>
<td>i) Quantity</td>
<td>Price is indicated on Y-axis and _____ is measured on ______.</td>
</tr>
<tr>
<td>ii) X-axis</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>MI-26</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Y-axis</td>
<td>Price is indicated on ______ and _____ is measured on ______.</td>
</tr>
<tr>
<td>ii) Quantity</td>
<td></td>
</tr>
<tr>
<td>iii) X-axis</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>MI-27</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Price</td>
<td>_____ is indicated on ______</td>
</tr>
<tr>
<td>ii) Y-axis</td>
<td>and _____ is measured on ______</td>
</tr>
<tr>
<td>iii) Quantity</td>
<td></td>
</tr>
<tr>
<td>iv) X-axis</td>
<td></td>
</tr>
<tr>
<td>MI-28</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>(9) No response required</td>
<td></td>
</tr>
<tr>
<td>OY is Y-axis, thus price is indicated on OY. Quantity is measured on OX. Therefore, OX is X-axis.</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>MI-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
</tr>
<tr>
<td>OY is Y-axis, thus price is indicated on OY. Quantity is measured on OX. Therefore OX is _axis.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
</tr>
<tr>
<td>OY is Y-axis, thus _ is measured on OY. Quantity is measured on OX. Therefore OX is _axis.</td>
</tr>
</tbody>
</table>

### DEMAND CURVE

<table>
<thead>
<tr>
<th>MI-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>No response required</td>
</tr>
<tr>
<td>Demand curve is negatively sloped. DD is demand curve as it is negatively sloped.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>(9)</td>
</tr>
<tr>
<td>Demand curve is negatively sloped. DD is demand curve as it is _ sloped.</td>
</tr>
</tbody>
</table>
Demand curve is negatively sloped.

DD is ______ curve as it is ______ sloped.

Supply curve is positively sloped.

SS is supply curve as it is positively sloped.
i) Supply curve is positively sloped.

ii) Positively, SS is _______ curve as it is _______sloped.

---

i) Positively, Supply curve is _______ sloped.

ii) Supply, SS is _______ curve as it is _______ sloped.

iii) Positively, Supply curve is _______ sloped.

iv) Positively, Supply curve is _______ sloped.

---

Point of Intersection of Demand & Supply curves.

No response required

Point of intersection of Demand and Supply Curves is the point where Demand and Supply Curves cut each other.

---

i) Cut

Point of intersection of Demand and Supply curves is the point where demand and supply curves _______ each other.
<table>
<thead>
<tr>
<th>MI-39</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Supply</td>
<td>Point of intersection of Demand and Supply curves is the point where Demand and _____ curves _____ each other.</td>
</tr>
<tr>
<td>ii) Cut</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-40</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Demand</td>
<td>Point of intersection of Demand and Supply curves is the point where _____ and _____ curves _____ each other.</td>
</tr>
<tr>
<td>ii) Supply</td>
<td></td>
</tr>
<tr>
<td>iii) Cut</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-41</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Point</td>
<td>Point of intersection of Demand and Supply curves is the _____ where _____ and _____ curves _____ each other.</td>
</tr>
<tr>
<td>ii) Demand</td>
<td></td>
</tr>
<tr>
<td>iii) Supply</td>
<td></td>
</tr>
<tr>
<td>iv) Cut</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-42</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Point of intersection</td>
<td>_____ _____ of Demand and Supply curves is the _____ where _____ and _____ curves _____ each other.</td>
</tr>
<tr>
<td>ii) Point</td>
<td></td>
</tr>
<tr>
<td>iii) Demand</td>
<td></td>
</tr>
<tr>
<td>iv) Supply</td>
<td></td>
</tr>
<tr>
<td>v) Cut</td>
<td></td>
</tr>
</tbody>
</table>
No response required

Mi-43
i) Cut
'P' is the point of intersection of demand and supply curves as at this point demand and supply curves cut each other.

Mi-44
i) Supply
ii) Cut
'P' is the point of intersection of demand and supply curves as at this point demand and curves cut each other.

Mi-45
i) Point of intersection
ii) Supply
iii) Cut
'P' is the point of intersection of demand and supply curves as at this point demand and curves cut each other.
Point of intersection of Demand and Supply curves is the point where Demand is equal to Supply.

**MI-46**

1) Supply

Point of intersection of Demand and Supply curves is the point where Demand is equal to ______.

**MI-47**

1) Equal  
2) Supply

Point of intersection of Demand and Supply curves is the point where Demand is _____ to _______.

**MI-48**

1) Demand  
2) Equal  
3) Supply

Point of intersection of Demand and Supply curves is the point where _____ is _____ to _______.

**MI-49**

1) Point  
2) Demand  
3) Equal  
4) Supply

Point of intersection of Demand and Supply curves is the _____ where _____ is _____ to _______.

No response required.
<table>
<thead>
<tr>
<th>No response required</th>
<th>&quot;P’ is the point of intersection of demand and supply curves as at this point demand is equal to supply.</th>
</tr>
</thead>
</table>

**MI-50**

1) Supply

"P’ is the point of intersection of demand and supply curves as at this point demand is equal to ________.

**MI-51**

1) Point of intersection

ii) Supply

"P’ is the _______ ________ of demand and supply curves as at this point demand is equal to ________.

**Determination of Equilibrium Quantity.**

<table>
<thead>
<tr>
<th>No response required</th>
<th>Equilibrium Quantity is the quantity produced at the point where Demand is equal to supply.</th>
</tr>
</thead>
</table>

**MI-52**

1) Supply

Equilibrium quantity is the quantity produced at the point where Demand is equal to ________. 
i) Equal

ii) Supply

MI-53

Equilibrium quantity is the quantity produced at the point where Demand is _____ to _____.

MI-54

i) Equilibrium quantity

ii) Equal

iii) Supply.

No response required.

'P' is the point where Equilibrium quantity is produced as at 'P', Demand is equal to Supply.

MI-55

1) Supply

'P' is the point where Equilibrium quantity is produced as at 'P', Demand is equal to _____.

MI-56

1) Equal

ii) Supply

'P' is the point where Equilibrium quantity is produced as at 'P', Demand is _____ to _____.

No response required.*
| MI-57 | 'P' is the point where Equilibrium quantity is produced as at 'P'.
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Demand</td>
<td>is equal to _______.</td>
</tr>
<tr>
<td>ii) Equal</td>
<td></td>
</tr>
<tr>
<td>iii) Supply</td>
<td></td>
</tr>
</tbody>
</table>

No response required

OA is Equilibrium quantity as it is the quantity produced at the point where Demand is equal to Supply.

---

<table>
<thead>
<tr>
<th>MI-58</th>
<th>OA is Equilibrium quantity as it is the quantity produced at the point where Demand is equal to _______.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Supply</td>
<td></td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>MI-59</th>
<th>OA is Equilibrium quantity as it is the quantity produced at the point where Demand is ______ to _______.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Equal</td>
<td></td>
</tr>
<tr>
<td>ii) Supply</td>
<td></td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>MI-60</th>
<th>OA is Equilibrium quantity as it is the quantity produced at the point where ______ is ______ to ______.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Demand</td>
<td></td>
</tr>
<tr>
<td>ii) Equal</td>
<td></td>
</tr>
<tr>
<td>iii) Supply</td>
<td></td>
</tr>
</tbody>
</table>
i) Equilibrium quantity

OA is ________ ________ as it is the quantity produced at the point where ________ is ________ to ________.

ii) Demand

No response required

For finding out Equilibrium quantity, a perpendicular is drawn on the X-axis from the point of intersection of Demand and Supply curves.

iii) Equal

iv) Supply

For finding out Equilibrium quantity, a perpendicular is drawn on the X-axis from the point of intersection of Demand and ________ curves.

For finding out Equilibrium quantity, a perpendicular is drawn on the X-axis from the point of intersection of ________ and ________ curves.
<table>
<thead>
<tr>
<th>MI-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Point of intersection</td>
</tr>
<tr>
<td>ii) Demand</td>
</tr>
<tr>
<td>iii) Supply</td>
</tr>
<tr>
<td>For finding out Equilibrium quantity a perpendicular is drawn on the X-axis from the ____ ____ ____ of ____ ____ and ____ ____ curves.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) X-axis</td>
</tr>
<tr>
<td>ii) Point of intersection</td>
</tr>
<tr>
<td>iii) Demand</td>
</tr>
<tr>
<td>iv) Supply</td>
</tr>
<tr>
<td>For finding out Equilibrium quantity a perpendicular is drawn on the ____ from the ____ ____ ____ of ____ ____ &amp; ____ ____ curves.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-66</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Perpendicular</td>
</tr>
<tr>
<td>ii) X-axis</td>
</tr>
<tr>
<td>iii) Point of intersection</td>
</tr>
<tr>
<td>iv) Demand</td>
</tr>
<tr>
<td>v) Supply</td>
</tr>
<tr>
<td>For finding out Equilibrium quantity a ____ ____ is drawn on the ____ from the ____ ____ ____ of ____ ____ and ____ ____ curves.</td>
</tr>
</tbody>
</table>

No response required.

P is the point of intersection of demand and supply curves, when, perpendicular is drawn from P on the X-axis, it will determine Equilibrium quantity.
(20)

MI-67

i) Equilibrium quantity

P is the point of intersection of demand and supply curves. When, perpendicular is drawn from P on the X-axis, it will determine _______.

MI-68

i) X-axis

"P' is the point of intersection of demand and supply curves when perpendicular is drawn from 'P' on the ____, it will determine _______ _________.

MI-69

i) Perpendicular

ii) X-axis

iii) Equilibrium Quantity

"P' is the point of intersection of demand and supply curves. When ________ is drawn from 'P' on the ________, it will determine _______ _________.

No response required.

Equilibrium quantity is always measured on the X-axis in terms of the distance of the perpendicular on the X-axis from the origin.
(21)

MI-70
i) Origin
   Equilibrium quantity is always measured on the X-axis in terms of the distance of the perpendicular on the X-axis from the _______.

MI-71
i) X-axis
   ii) Origin
   Equilibrium quantity is always measured on the X-axis in terms of the distance of the perpendicular on the _______ from the _______.

MI-72
i) Perpendicular
   ii) X-axis
   iii) Origin
   Equilibrium quantity is always measured on the X-axis in terms of the distance of the _______ on the _______ from the _______.

MI-73
i) Distance
   ii) Perpendicular
   iii) X-axis
   iv) Origin
   Equilibrium quantity is always measured on the X-axis in terms of the _______ of the _______ on the _______ from the _______.
<table>
<thead>
<tr>
<th>MI-74</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) X-axis</td>
</tr>
</tbody>
</table>

No response required.

<table>
<thead>
<tr>
<th>MI-75</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Origin</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-76</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) X-axis</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-77</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Perpendicular</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-77</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) X-axis</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-77</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Perpendicular</td>
</tr>
</tbody>
</table>
Determination of Equilibrium Price.

No response required.

Equilibrium price is the price charged at the point where Demand is equal to Supply.

Equilibrium price is the price charged at the point where Demand is equal to _______.

Equilibrium price is the price charged at the point where Demand is _______ to _______.

Equilibrium price is the price charged at the point where _____ is _______ to __________.
Demand is equal to supply at point 'P'. Thus, the price charged at point 'P' is equilibrium price.

Demand is equal to supply at point 'P'. Thus, the price charged at point 'P' is equilibrium price.

Demand is equal to supply at point 'P'. Thus, the price charged at point 'P' is equilibrium price.

Demand is equal to supply at point 'P'. Thus, the price charged at point 'P' is equilibrium price.
Demand is equal to supply at point 'P'. Thus the ______ charged at point ______ is ______ ______.

Equilibrium price is always found out on the Y-axis by drawing perpendicular on the Y-axis from the point of intersection of Demand and Supply curves.

Equilibrium price is always found out on the Y-axis by drawing perpendicular from the point of intersection of Demand and ______ curves.

Equilibrium price is always found out on the Y-axis by drawing perpendicular on the Y-axis from the point of intersection of ______ and ______ curves.
Equilibrium price is always found out on the Y-axis by drawing perpendicular on the Y-axis from the _______ _______ of _______ and _______ curves.

Equilibrium price is always found out on the Y-axis by drawing perpendicular on the _______ from the _______ _______ of _______ and _______ curves.

Equilibrium price is always found out on the _______ by drawing _______ on the _______ from the _______ _______ of _______ and _______ curves.

Equilibrium price is always found out on the _______ by drawing _______ on the _______ from the _______ _______ of _______ and _______ curves.
'P' is the point of intersection of Demand and Supply curves. For finding out Equilibrium price, a perpendicular is drawn on the Y-axis from 'P'.

**MI-93**

1) 'P'

'P' is the point of intersection of Demand and Supply curves. For finding out Equilibrium price, a perpendicular is drawn on the Y-axis from _____.

**MI-94**

1) Y-axis

ii) 'P'

'Demand and Supply curves. For finding out Equilibrium price, a perpendicular is drawn on the _____ from _____.

**MI-95**

i) Perpendicular

ii) Y-axis.

iii) 'P'

'Demand and Supply curves. For finding out Equilibrium price, a ________ is drawn on the _____ from _____.
No response | Equilibrium price is measured on the
Y-axis by finding out the distance of
the perpendicular drawn on the
Y-axis from the origin.

i) Origin | Equilibrium price is measured on the
Y-axis by finding out the distance of
of the perpendicular drawn on the
Y-axis from the origin.

i) Y-axis | Equilibrium price is measured on the
Y-axis by finding out the distance of
the perpendicular drawn on the

ii) Origin | from the

i) Perpendicular | Equilibrium price is measured on the
Y-axis by finding out the distance of
the perpendicular drawn on the

ii) Y-axis | from the

iii) Origin |
Equilibrium price is measured on the Y-axis by finding out the distance of the perpendicular drawn on the Y-axis from the origin.

The distance of the perpendicular drawn on the Y-axis from the origin is OB. Thus, OB is the Equilibrium Price.

No response required.
i) OB

ii) Equilibrium price drawn on the Y-axis from the origin is OB. Thus, _____ is _________.

---

i) Origin

ii) OB

iii) Equilibrium price is OB. Thus, _____ is _________.

---

i) Y-axis

ii) Origin

iii) OB is OB. Thus, _____ is _________.

---

i) Perpendicular

ii) Y-axis

iii) Origin is OB, thus _____ is _________.

---

v) Equilibrium price
### Determination of Equilibrium Quantity and Equilibrium Price

<table>
<thead>
<tr>
<th>No response required.</th>
<th>Equilibrium price is measured on the <strong>Y-axis</strong> and Equilibrium quantity is measured on the <strong>X-axis</strong>.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) <strong>X-axis.</strong></td>
<td>Equilibrium price is measured on the <strong>Y-axis</strong> and Equilibrium quantity is measured on the <strong>X-axis</strong>.</td>
</tr>
<tr>
<td>ii) <strong>X-axis.</strong></td>
<td>Equilibrium price is measured on the <strong>Y-axis</strong> and <strong>quantity</strong> is measured on the <strong>X-axis</strong>.</td>
</tr>
<tr>
<td>i) <strong>Y-axis</strong></td>
<td>Equilibrium price is measured on the **** and <strong>quantity</strong> is measured on the <strong>X-axis</strong>.</td>
</tr>
<tr>
<td>ii) <strong>Equilibrium</strong></td>
<td>Equilibrium price is measured on the **** and <strong>quantity</strong> is measured on the <strong>X-axis</strong>.</td>
</tr>
<tr>
<td>iii) <strong>X-axis</strong></td>
<td>Equilibrium price is measured on the **** and <strong>quantity</strong> is measured on the <strong>X-axis</strong>.</td>
</tr>
</tbody>
</table>
UNIT - II

EFFECT OF INCREASE/DECREASE IN DEMAND ON PRICE

Shifting of the Demand curve with the Increase in Demand.

No response required

With the increase in demand, supply remaining the same, the demand curve shifts in the right upward direction.

MI-109

i) Equilibrium

ii) Y-axis

iii) Equilibrium

iv) X-axis.

MI-110

With the increase in demand, supply remaining the same, the demand curve shifts in the right _____ direction.

MI-111

i) Right

ii) Upward

With the increase in demand, supply remaining the same, the demand curve shifts in the _____ _____ direction.
(33)

MI-112
i) Shifts
ii) Right
iii) Upward

With the increase in demand, supply remaining the same, the demand curve _______ in the _______ _______
direction.

MI-113
i) Demand
ii) Shifts
iii) Right
iv) Upward

With the increase in demand, supply remaining the same, the _______ curve _______ in the _______ _______
direction.

MI-114
i) Same
ii) Demand
iii) Shifts
iv) Right
v) Upward

With the increase in demand, supply remaining the _______ the _______
curve _______ in the _______ _______
direction.

MI-115
i) Supply
ii) Same
iii) Demand
iv) Shifts
v) Right
vi) Upward

With the increase in demand, _______
remaining the _______ the _______
curve _______ in the _______ _______
direction.
With the _______ in demand, _______.  
remaining the _______ the _______ curve  
_______ in the _______ _________

No response required. When the demand increases from OA to OA₁, the demand curve will shift in the right upward direction.

When the demand increases from OA to OA₁, the demand curve will shift in the right _______ direction.

When the demand increases from OA to OA₁, the demand curve will shift in the _______ _______ direction.
When the demand increases from OA\textsubscript{1} to OA\textsubscript{2}, the curve will shift in the ______ ______ direction.

When the demand increases from OA\textsubscript{1} to OA\textsubscript{2}, the curve will shift in the ______ ______ direction.

When the demand increases from OA\textsubscript{1} to OA\textsubscript{2}, the curve will shift in the ______ ______ direction.

Determining Price with the Increase in Demand.

For finding out price, when demand increases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve & new demand curve.
<table>
<thead>
<tr>
<th>MI-122</th>
<th>MI-123</th>
<th>MI-124</th>
</tr>
</thead>
<tbody>
<tr>
<td>I) Demand</td>
<td>I) New Demand</td>
<td>I) Demand</td>
</tr>
<tr>
<td>For finding out price, when demand increases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new curve.</td>
<td>For finding out price, when demand increases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new curve.</td>
<td>For finding out price, when demand increases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new curve.</td>
</tr>
<tr>
<td>MI-125</td>
<td>For finding out price, when Demand increases, a perpendicular is drawn on the Y-axis from the _____ _____ of _____ curve and _____ curve.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>i) Point of intersection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii) Supply</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii) New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv) Demand</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-126</th>
<th>For finding out price when Demand increases, a perpendicular is drawn on the _____ from the _____ _____ of _____ curve and _____ curve.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Y-axis</td>
<td></td>
</tr>
<tr>
<td>ii) Point of intersection</td>
<td></td>
</tr>
<tr>
<td>iii) Supply</td>
<td></td>
</tr>
<tr>
<td>iv) New</td>
<td></td>
</tr>
<tr>
<td>v) Demand</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-127</th>
<th>For finding out price when Demand increases, a _____ is drawn on the _____ from the _____ _____ of _____ curve and _____ _____ curve.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Perpendicular</td>
<td></td>
</tr>
<tr>
<td>ii) Y-axis</td>
<td></td>
</tr>
<tr>
<td>iii) Point of intersection</td>
<td></td>
</tr>
<tr>
<td>iv) Supply</td>
<td></td>
</tr>
<tr>
<td>v) New</td>
<td></td>
</tr>
<tr>
<td>vi) Demand</td>
<td></td>
</tr>
<tr>
<td>MI-128</td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td></td>
</tr>
</tbody>
</table>
| i) Price
ii) Perpendicular
iii) Y-axis
iv) Point of intersection
v) Supply
vi) New
vii) Demand |
| For finding out ______ when demand increases, a _________ is drawn on the ______ from the ________ of _______ curve and _______ _______ curve. |
| No response required |
| 'P' is the point of intersection of supply curve and new demand curve. A perpendicular is drawn on the Y-axis from 'P' for finding out price. |

<table>
<thead>
<tr>
<th>MI-129</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Price</td>
</tr>
<tr>
<td>'P' is the point of intersection of supply curve and new demand curve. A perpendicular is drawn on the Y-axis from 'P' for finding out ______.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-130</th>
</tr>
</thead>
</table>
| i) P
ii) Price |
| 'P' is the point of intersection of supply curve and new demand curve. A perpendicular is drawn on the Y-axis from ______ for finding out ______. |
(39)

**MI-131**

1) Y-axis
2) $P_1$
3) Price.

A perpendicular is drawn on the _____ from _____ for finding out ______.

**MI-132**

1) Perpendicular
2) Y-axis
3) $P_1$
4) Price

'P_1' is the point of intersection of supply curve and new demand curve.

A _______ is drawn on the _______ from _______ for finding ______.

---

**Effect of Increase in Demand on Price.**

No response required

When the demand increases, supply remaining the same, the price also increases.

---

**MI-133**

1) Increases

When the demand increases, supply remaining the same, the price also ________.
| MI-134 | When the demand increases, supply remaining the same, the _____ also _______. |
| MI-135 | When the demand increases, supply remaining the _____, the _____ also _______. |
| MI-136 | When the demand increases, _______ remaining the _____, the _____ also _______. |
| MI-137 | When the demand increases, _______ remaining the _____, the _____ also _______. |

No response required when the demand increases from 10 bags of sugar to 12 bags of sugar, the price will also increase.
(41)

MI-138

i) Increase
   When the demand increases from 10 bags of sugar to 12 bags of sugar, the price will also ______.

MI-139

i) Price
   When the demand increases from 10 bags of sugar to 12 bags of sugar, the ______ will also ______.

ii) Increase

MI-140

i) Increases
   When the demand ______ from 10 bags of sugar to 12 bags of sugar, the ______ will also ______.

ii) Price

iii) Increase

Determination of Equilibrium Price with the Increase in Demand.

No response required.

Equilibrium price is the distance of the perpendicular on the Y-axis from the origin.

MI-141

i) Origin
   Equilibrium price is the distance of the perpendicular on the Y-axis from the ______.
Equilibrium price is the distance of the perpendicular on the ______ from the _______.

Equilibrium price is the distance of the ______ on the ______ from the _______.

Equilibrium price is the _________ on the ______ from the _______.

OB₁ is the distance of the perpendicular on the Y-axis from the Origin, thus, OB₁ is Equilibrium _______.
Shift of Demand Curve with the Decrease in Demand.

No response required. When the demand decreases, supply remaining the same, the demand curve shifts in the downward direction.
<table>
<thead>
<tr>
<th>MI-149</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Downward</td>
<td>When the demand decreases, supply remaining the same, the demand curve shifts in the ________ direction.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-150</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Shifts</td>
<td>When the demand decreased, supply remaining the same, the demand curve ________ in the ________ direction.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-151</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Supply</td>
<td>When the demand decreases, ________</td>
</tr>
<tr>
<td>ii) Demand</td>
<td>remaining the same, the ________</td>
</tr>
<tr>
<td>iii) Shifts</td>
<td>curve ________ in the ________ direction.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-152</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Decreases</td>
<td>When the demand ________</td>
</tr>
<tr>
<td>ii) Supply</td>
<td>remaining the same, the ________ curve</td>
</tr>
<tr>
<td>iii) Demand</td>
<td>________ in the ________ direction.</td>
</tr>
<tr>
<td>iv) Shifts</td>
<td></td>
</tr>
<tr>
<td>v) Downward</td>
<td></td>
</tr>
</tbody>
</table>
No response required

Original demand was OA, when it has decreased to OA₂, the demand curve will shift in the downward direction.

i) Downward

Original demand was OA when it has decreased to OA₂, the demand curve will shift in the ____ direction.

II-154

i) Shift

ii) Downward

Original demand was OA, when it has decreased to OA₂, the demand curve will ____ in the ____ direction.

II-155

i) Demand

ii) Shift

iii) Downward

Original demand was OA, when it has decreased to OA₂, the ____ curve will ____ in the ____ direction.

II-156

i) Decreased

ii) Demand

iii) Shift

iv) Downward

Original demand was OA, when it has _______ to OA₂, the _______ curve will _______ in the _______ direction.

II-157
Effect of Decrease in Demand on Price.

<table>
<thead>
<tr>
<th>No response required</th>
<th>With the decrease in demand, supply remaining the same, the demand curve shifts in the downward direction, thus lowering the price.</th>
</tr>
</thead>
<tbody>
<tr>
<td>MI-158</td>
<td></td>
</tr>
<tr>
<td>i) Price</td>
<td>With the decrease in demand, supply remaining the same, the demand curve shifts in the downward direction, thus lowering the _______.</td>
</tr>
<tr>
<td>MI-159</td>
<td></td>
</tr>
<tr>
<td>i) Lowering</td>
<td>With the decrease in demand, supply remaining the same, the demand curve shifts in the downward direction, thus _______ the _______.</td>
</tr>
<tr>
<td>ii) Price</td>
<td></td>
</tr>
<tr>
<td>MI-160</td>
<td></td>
</tr>
<tr>
<td>i) Downward</td>
<td>With the decrease in demand, supply remaining the same, the demand curve shifts in the _________ direction, thus _______ the _______.</td>
</tr>
<tr>
<td>ii) Lowering</td>
<td></td>
</tr>
<tr>
<td>iii) Price</td>
<td></td>
</tr>
<tr>
<td>MI-161</td>
<td>MI-162</td>
</tr>
<tr>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>i) Demand</td>
<td>With the decrease in demand, supply</td>
</tr>
<tr>
<td>ii) Downward</td>
<td>remaining the same, the ________</td>
</tr>
<tr>
<td>iii) Lowering</td>
<td>curve shifts in the ________ direction,</td>
</tr>
<tr>
<td>iv) Price</td>
<td>thus ________ the ________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-163</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Decrease</td>
</tr>
</tbody>
</table>
If the demand decreases from 12 bags of sugar to 10 bags of sugar, the price will also __________.

For finding out price when demand decreases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and new demand curve.
i) New

ii) Demand

For finding out price when demand decreases, a perpendicular is drawn on the Y-axis from the point of intersection of supply curve and ______ curve.

i) Supply

ii) New

iii) Demand

For finding out price, when demand decreases, a perpendicular is drawn on the Y-axis from the point of intersection of ______ curve and ______ curve.

i) Point of intersection

ii) Supply

iii) New

iv) Demand

For finding out price, when demand decreases a perpendicular is drawn on the Y-axis from the _____ of ______ curve and ______ curve.
<table>
<thead>
<tr>
<th>i) Y-axis</th>
<th>ii) Point of intersection</th>
<th>iii) Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>iv) New</td>
<td>v) Demand,</td>
<td>i) Supply,</td>
</tr>
<tr>
<td>vi) Demand</td>
<td></td>
<td>iv) New</td>
</tr>
</tbody>
</table>

- For finding out price when demand decreases, a perpendicular is drawn from the point of intersection of the curve and the y-axis.
When demand decreases, 'P₂' is the point of intersection of supply curve and new demand curve. A perpendicular is drawn on the Y-axis from P₂ for finding out price.
When demand decreases, 'P₂' is the point of intersection of supply curve and new demand curve, a perpendicular is drawn on the ______ from ______ for finding out ______.

When demand decreases, 'P₂' is the point of intersection of supply curve and new demand curve, a ______ is drawn on the ______ from ______ for finding out ______.

Directional shift of Demand curve with the Increase/Decrease in Demand.

No response required.

With the increase in demand, the demand curve shifts in the upward direction and with the decrease in demand, demand curve shifts in the downward direction.
With the increase in demand, the demand curve shifts in the upward direction and with the decrease in demand, the demand curve shifts in the _______ direction.

With the increase in demand, the demand curve shifts in the upward direction and with the decrease in demand, the _______ curve shifts in the _______ direction.

With the increase in demand, the demand curve shifts in the upward direction and with the decrease in demand, the _______ curve shifts in the _______ direction.

With the increase in demand, the demand curve shifts in the upward direction and with the decrease in demand, the _______ curve shifts in the _______ direction.
<table>
<thead>
<tr>
<th>MI-181</th>
<th>MI-182</th>
<th>MI-183</th>
</tr>
</thead>
</table>
| i) Shifts
ii) Upward
iii) Decrease
iv) Demand
v) Downward | With the increase in demand, the demand curve _______ in the _______ direction and with the _______ in demand, the _______curve shift in the _______ direction. | With the increase in demand, the _______ curve _______ in the _______ direction and with the _______ in demand, the _______ curve shifts in the _______ direction. |
| i) Demand
ii) Shifts
iii) Upward
iv) Decrease
v) Demand
vi) Downward | With the increase in demand, the _______ curve _______ in the _______ direction and with the _______ in demand, the _______ curve shifts in the _______ direction. | With the increase in _______, the _______ curve _______ in the _______ direction and with the _______ demand the _______curve shifts in the _______ direction. |
No response required. DD is the original demand curve. With an increase in demand, DD will shift in the upward direction.

| i) Shift | DD is the original demand curve. With the increase in demand, DD will shift in the upward direction. |
| ii) Upward |

| i) DD | DD is the original demand curve. With the increase in demand, ____ will _____ in the _____ direction. |
| ii) Shifts |
| iii) Upward |

<p>| i) Increase | DD is the original demand curve. With _____ in demand, ____ will _____ in the _____ direction. |
| ii) DD |
| iii) Shift |
| iv) Upward |</p>
<table>
<thead>
<tr>
<th>MI-188</th>
<th>DD is the original demand curve, with decrease in demand, DD will shift in the downward direction.</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>i)</em> Downward</td>
<td>DD is the original demand curve with decrease in demand, DD will shift in the __________ direction.</td>
</tr>
<tr>
<td>MI-189</td>
<td>DD is the original demand curve with decrease in demand, DD will __________ in the __________ direction.</td>
</tr>
<tr>
<td><em>i)</em> Shift</td>
<td>DD is the original demand curve with decrease in demand, DD will __________ in the __________ direction.</td>
</tr>
<tr>
<td><em>ii)</em> Downward</td>
<td>DD is the original demand curve with decrease in demand, DD will __________ in the __________ direction.</td>
</tr>
<tr>
<td>MI-190</td>
<td>DD is the original demand curve, with decrease in demand, ___ will ___ in the __________ direction.</td>
</tr>
<tr>
<td><em>i)</em> DD</td>
<td>DD is the original demand curve with ____ in demand ____ will ___ in the __________ direction.</td>
</tr>
<tr>
<td><em>ii)</em> Shift</td>
<td>DD is the original demand curve with ____ in demand ____ will ___ in the __________ direction.</td>
</tr>
<tr>
<td><em>iii)</em> Downward</td>
<td>DD is the original demand curve with ____ in demand ____ will ___ in the __________ direction.</td>
</tr>
</tbody>
</table>
**Effect of Increase/Decrease in Demand on Price.**

No response required

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>When the demand increases, the price will also increase and when demand decreases price will fall.</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Case</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Fall</td>
<td>When the demand increases, the price will also increase and when demand decreases price will fall.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-192</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Price</td>
</tr>
<tr>
<td>ii) Fall</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-193</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Price</td>
</tr>
<tr>
<td>ii) Fall</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-194</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Demand</td>
</tr>
<tr>
<td>ii) Price</td>
</tr>
<tr>
<td>iii) Fall</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>When the demand increases, the price will also increase and when demand decreases, ______ will ______.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>When the demand increases, the price will also increase and when demand decreases, ______ will ______.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>When the demand increases, the price will also increase and when ______ decreases, ______ will ______.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MI-195</td>
<td>MI-196</td>
<td>MI-197</td>
</tr>
<tr>
<td>--------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>i) Increase</td>
<td>i) Price</td>
<td>i) Increases</td>
</tr>
<tr>
<td>ii) Demand</td>
<td>ii) Increase</td>
<td>ii) Price</td>
</tr>
<tr>
<td>iii) Price</td>
<td>iii) Demand</td>
<td>iii) Increase</td>
</tr>
<tr>
<td>iv) Fall</td>
<td>iv) Price</td>
<td>iv) Demand</td>
</tr>
<tr>
<td>v) Price</td>
<td>v) Fall</td>
<td>v) Price</td>
</tr>
</tbody>
</table>

When the demand increases, the price will also decrease and when decreases, will decrease.
<table>
<thead>
<tr>
<th>No response required.</th>
<th>When supply decreases, demand remaining the same, the supply curve shifts in the upward direction.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Upward</td>
<td>When supply decreases, demand remaining the same, the supply curve shifts in the _____ direction.</td>
</tr>
<tr>
<td>MI-198</td>
<td></td>
</tr>
<tr>
<td>i) Shifts</td>
<td>When supply decreases, demand remaining the same, the supply curve _____ in the _____ direction.</td>
</tr>
<tr>
<td>ii) Upward</td>
<td></td>
</tr>
<tr>
<td>MI-199</td>
<td></td>
</tr>
<tr>
<td>i) Supply</td>
<td>When supply decreases, demand remaining the same, the _____ curve _____ in the _____ direction.</td>
</tr>
<tr>
<td>ii) Shifts</td>
<td></td>
</tr>
<tr>
<td>iii) Upward</td>
<td></td>
</tr>
</tbody>
</table>
MI-201

i) Same

When supply decreases, demand

ii) Supply

remaining the ______, the ______

iii) Shifts

curve ______ in the ______ direction

iv) Upward

MI-202

i) Demand

When supply decreases, ______

ii) Same

remaining the ______, the ______

iii) Supply

curve ______ in the ______ direction.

iv) Shifts

v) Upward

No response required

The original supply was OA, when it decreases to OA₁, the supply curve will shift in the upward direction.

MI-203

i) Upward

The original supply OA, when it decreases to OA₁, the supply curve will shift in the ______ direction.
The original supply was OA, when it decreases to OA₁, the supply curve will **_____** in the **_____** direction.

The original supply was OA, when it decreases to OA₁, the **_____** curve will **_____** in the **_____** direction.

The original supply was OA, when it **_____** to OA₁, the **_____** curve will **_____** in the **_____** direction.

Effect of Decrease in Supply on Price:

With the decrease in supply, the supply curve shifts in the upward direction, thus, raising the price.
With the decrease in supply, the supply curve shifts in the upward direction, thus raising the ___.

With the decrease in supply, the supply curve shifts in the upward direction, thus ______ the ___.

With the decrease in supply, the supply curve shifts in the ______ direction, thus ______ the ______.

With the decrease in supply, the supply curve ______ in the ______ direction, thus ______ the ______.
<table>
<thead>
<tr>
<th>MI-211</th>
<th>MI-212</th>
<th>MI-213</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Supply</td>
<td>With the decrease in supply, the</td>
<td>i) Price</td>
</tr>
<tr>
<td>ii) Shifts</td>
<td>curve ___ in the</td>
<td>ii) Increased</td>
</tr>
<tr>
<td>iii) Upward</td>
<td>direction, thus ___</td>
<td>12 bags of sugar to 10 bags of</td>
</tr>
<tr>
<td>iv) Raising</td>
<td>the ___</td>
<td>sugar, the price ___</td>
</tr>
<tr>
<td>v) Price</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

No response required

When the supply decreased from 12 bags of sugar to 10 bags of sugar, the price increased.

---

When the supply decreased from 12 bags of sugar to 10 bags of sugar, the price increased.

---

When the supply decreased from 12 bags of sugar to 10 bags of sugar, the price increased.
Decreased

Price

Increased

Supply

Decreased

Price

Increased.

When the supply from 12 bags of sugar to 10 bags of sugar, the __________.

When the __________ from 12 bags of sugar to 10 bags of sugar, the __________.

Determination of Price with Decrease in Supply.

No response required

For finding out price with decrease in supply, a perpendicular is drawn on the Y-axis from the point of intersection of demand curve and new supply curve.

For finding out Equilibrium price with decrease in supply, a perpendicular is drawn on the Y-axis from the point of intersection of demand curve and new __________ curve.
i) Now

ii) Supply

For finding out Equilibrium price with decrease in supply, a perpendicular is drawn on the Y-axis from the point of intersection of demand curve and ______ ________ curve.

---

i) Demand

ii) New

iii) Supply

For finding out Equilibrium price with decrease in supply, a perpendicular is drawn on the Y-axis from the point of intersection of ______ curve and ______ ________ curve.

---

i) Point of intersection

ii) Demand

iii) New

iv) Supply

For finding out Equilibrium price with decrease in supply, a perpendicular is drawn on the Y-axis from the ______ ________ of ______ curve and ______ ________ curve.
For finding out Equilibrium price with decrease in supply, a perpendicular is drawn on the ______ from the ______ ______ of ______ curve and ______ ______ curve.

For finding out Equilibrium price with decrease in supply, a ______ is drawn on the ______ from the ______ ______ of ______ curve and ______ ______ curve.

For finding out Equilibrium price with decrease in ______, a ______ is drawn on the ______ from the ______ ______ of ______ curve and ______ ______ curve.
Decrease
Supply
Perpendicular
Y-axis
Point of intersection
Demand
New
Supply

For finding out Equilibrium price, when supply decreases, 'P₁' is the point of intersection of demand curve and new supply curve. A perpendicular is drawn on the Y-axis from P₁ for finding out price.

When supply decreases, P₁ is the point of intersection of demand curve and new supply curve. A perpendicular is drawn on the Y-axis from P₁ for finding out ________.
When supply decreases, 'P₁' is the point of intersection of demand curve and new supply curve. A perpendicular is drawn on the Y-axis from ______ for finding out ______.

When supply decreases, 'P₁' is the point of intersection of demand curve and new supply curve. A perpendicular is drawn on the ______ from ______ for finding out ______.

When supply decreases, 'P₁' is the point of intersection of demand curve and new supply curve. A ______ is drawn on the ______ from ______ for finding out ______.
<table>
<thead>
<tr>
<th><strong>Effect of Decrease in Demand / Supply on Price</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No response required</strong></td>
</tr>
<tr>
<td>With the decreases in demand, the price decreases and with the decreases in supply, the price increases</td>
</tr>
<tr>
<td><strong>MI-228</strong></td>
</tr>
<tr>
<td><strong>i) Increases</strong></td>
</tr>
<tr>
<td>With the decrease in demand, the price decreases and with the decrease in supply, the price increases</td>
</tr>
<tr>
<td><strong>MI-229</strong></td>
</tr>
<tr>
<td><strong>i) Price</strong></td>
</tr>
<tr>
<td>With the decrease in demand, the price decreases and with the decrease in supply, the price decreases and with the decrease</td>
</tr>
<tr>
<td><strong>MI-230</strong></td>
</tr>
<tr>
<td><strong>i) Supply</strong></td>
</tr>
<tr>
<td>With the decrease in demand, the price decreases and with the decrease in supply, the price decreases and with the decrease</td>
</tr>
<tr>
<td><strong>ii) Price</strong></td>
</tr>
<tr>
<td>With the decrease in demand, the price decreases and with the decrease in supply, the price decreases and with the decrease</td>
</tr>
<tr>
<td><strong>iii) Increases</strong></td>
</tr>
<tr>
<td>With the decrease in demand, the price decreases and with the decrease in supply, the price decreases and with the decrease</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>i) Decreases</td>
</tr>
<tr>
<td>ii) Supply</td>
</tr>
<tr>
<td>iii) Price</td>
</tr>
<tr>
<td>iv) Increases</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>MI-232</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Price</td>
<td>With the decrease in demand, the</td>
</tr>
<tr>
<td>ii) Decreases</td>
<td>_______ _______ and with</td>
</tr>
<tr>
<td>iii) Supply</td>
<td>the decrease in _______, the</td>
</tr>
<tr>
<td>iv) Price</td>
<td>_______ _______</td>
</tr>
<tr>
<td>v) Increases</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>MI-233</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Decrease</td>
<td>With the _______ in demand, the</td>
</tr>
<tr>
<td>ii) Price</td>
<td>_______ _______ and with the</td>
</tr>
<tr>
<td>iii) Decreases</td>
<td>decrease in _______, the</td>
</tr>
<tr>
<td>iv) Supply</td>
<td>_______ _______</td>
</tr>
<tr>
<td>v) Price</td>
<td></td>
</tr>
<tr>
<td>vi) Increases.</td>
<td></td>
</tr>
</tbody>
</table>
When demand decreased from 15 bags of sugar to 10 bags of sugar, the price decreased and when supply decreased from 15 bags of sugar to 10 bags of sugar, the price increased.

- MI-234
  - i) Increased
  - When demand decreased from 15 bags of sugar to 10 bags of sugar, the price decreased and when supply decreased from 15 bags of sugar to 10 bags of sugar, the price increased.

- MI-235
  - i) Price
  - ii) Increased
  - When demand decreased from 15 bags of sugar to 10 bags of sugar, the price decreased and when supply decreased from 15 bags of sugar to 10 bags of sugar, the price increased.
<table>
<thead>
<tr>
<th>MI-236</th>
<th>MI-237</th>
<th>MI-238</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>i)</strong> Decreased</td>
<td><strong>i)</strong> Decreased</td>
<td><strong>i)</strong> Price</td>
</tr>
<tr>
<td><strong>ii)</strong> Price</td>
<td><strong>ii)</strong> Decreased</td>
<td><strong>ii)</strong> Decreased</td>
</tr>
<tr>
<td><strong>iii)</strong> Increased</td>
<td><strong>iii)</strong> Price</td>
<td><strong>iii)</strong> Decreased</td>
</tr>
<tr>
<td>When demand decreased from 15 bags of sugar to 10 bags of sugar, the price decreased and when supply</td>
<td>When demand decreased from 15 bags of sugar to 10 bags of sugar, the price</td>
<td>When demand decreased from 15 bags of sugar to 10 bags of sugar, the price</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(72)
When demand _________ from 15 bags of sugar to 10 bags of sugar, the _________ and when supply _________ from 15 bags of sugar, the _________.

Supply Curve with the Increase in Supply.

With the increase in supply, demand remaining the same, the supply curve shifts in the downward direction.

No response required.

With the increase in supply, demand remaining the same, the supply curve shifts in the downward _________.

With the increase in supply, demand remaining the same, the supply curve shifts in the _________ __________________.
i) Shifts
ii) Downward
iii) Direction

MI-242
With the increase in supply, demand remaining the same, the supply curve ______ in the ______ ________.

i) Supply
ii) Shifts
iii) Downward
iv) Direction

MI-243
With the increase in supply, demand remaining the same, the ______ curve ______ in the ______ ________.

i) Demand
ii) Supply
iii) Shifts
iv) Downward
v) Direction

MI-244
With the increase in supply, ______ remaining the same, the ______ curve ______ in the ______ ________.

i) Increase
ii) Demand
iii) Supply
iv) Shifts
v) Downward
vi) Direction,
When supply increases from $OA$ to $OA_2$, the supply curve will shift in the downward direction.

<table>
<thead>
<tr>
<th>MI-246</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Downward</td>
</tr>
<tr>
<td>When supply increases from $OA$ to $OA_2$, the supply curve will shift in the ______ direction.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-247</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Shift</td>
</tr>
<tr>
<td>ii) Downward</td>
</tr>
<tr>
<td>When supply increases from $OA$ to $OA_2$, the supply curve will ______ in the _______ direction.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-248</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Supply</td>
</tr>
<tr>
<td>ii) Shift</td>
</tr>
<tr>
<td>iii) Downward</td>
</tr>
<tr>
<td>When supply increases from $OA$ to $OA_2$, the ______ curve will ______ in the _______ direction.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-249</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Supply</td>
</tr>
<tr>
<td>ii) Supply</td>
</tr>
<tr>
<td>iii) Shift</td>
</tr>
<tr>
<td>iv) Downward</td>
</tr>
<tr>
<td>When ______ increases from $OA$ to $OA_2$, the ______ curve will ______ in the _______ direction.</td>
</tr>
</tbody>
</table>
Effect of Increase in Supply on Price

No response required: With the increase in supply, the supply curve shifts in the downward direction, thus lowering the price.

---

MI-250

i) Price

With the increase in supply, the supply curve shifts in the downward direction, thus lowering the

---

MI-251

i) Lowering

With the increase in supply, the supply curve shifts in the downward direction, thus ________ the ________.

---

MI-252

i) Supply

With the increase in ________, the supply curve shifts in the downward direction, thus ________ the ________.
<table>
<thead>
<tr>
<th>MI-253</th>
<th>No response required</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Increase</td>
<td>With the ______ in ______, the supply curve shifts in the downward direction, thus ______ the ______.</td>
</tr>
<tr>
<td>ii) Supply</td>
<td></td>
</tr>
<tr>
<td>iii) Lowering</td>
<td></td>
</tr>
<tr>
<td>iv) Price</td>
<td></td>
</tr>
</tbody>
</table>

The price of one bag of sugar is Rs. 10, when the supply of sugar increases, the price of each bag of sugar will decrease.

<table>
<thead>
<tr>
<th>MI-254</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Decrease</td>
<td>The price of one bag of sugar is Rs. 10, when the supply of sugar increases, the price of each bag of sugar will ______.</td>
</tr>
<tr>
<td>ii) Price</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-255</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Price</td>
<td>The price of one bag of sugar is Rs. 10, when the supply of sugar increases, the _____ of each bag of sugar will ______.</td>
</tr>
<tr>
<td>ii) Decrease</td>
<td></td>
</tr>
</tbody>
</table>
The price of one bag of sugar is Rs. 10, when the supply of sugar decreases, the price of each bag of sugar will increase.

For finding out price with increase in supply, draw a perpendicular on the Y-axis from the point of intersection of demand curve and new supply curve.
MI-259

i) New
ii) Supply

For finding out price with increase in supply, draw a perpendicular on the Y-axis from the point of intersection of demand curve and ______ curve.

MI-260

i) Demand
ii) New
iii) Supply

For finding out price with increase in supply, draw a perpendicular on the Y-axis from the point of intersection of ______ curve and ______ curve.

MI-261

i) Point of intersection
ii) Demand
iii) New
iv) Supply

For finding out price with increase in supply draw a perpendicular on the Y-axis from the ______ curve and ______ curve.
1. For finding out price with increase in supply, draw a *perpendicular* from the *point of intersection* of the supply and demand curves. Then, draw a line from the *y-axis* to the new demand curve. The intersection of these lines gives the new price.

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>i)</td>
<td>Y-axis</td>
</tr>
<tr>
<td>ii)</td>
<td>Point of intersection</td>
</tr>
<tr>
<td>iii)</td>
<td>Demand</td>
</tr>
<tr>
<td>iv)</td>
<td>New Supply</td>
</tr>
<tr>
<td>v)</td>
<td>Supply</td>
</tr>
</tbody>
</table>

*Note: The diagram shows how to find the new price by drawing these lines.*
No response required

'\(P_2\)' is the point of intersection of demand curve and new supply curve when the supply increases. Draw a perpendicular from \(P_2\) on the \(Y\)-axis for finding out price.

---

**MI-265**

i) Price

'\(P_2\)' is the point of intersection of demand curve and new supply curve when the supply increases. Draw a perpendicular from \(P_2\) on the \(Y\)-axis for finding out price.

---

**MI-266**

i) \(Y\)-axis

ii) Price

'\(P_2\)' is the point of intersection of demand curve and new supply curve when the supply increases. Draw a perpendicular from \(P_2\) on the \(\underline{\text{______________}}\) for finding out price.
P₂ is the point of intersection of demand curve and new supply curve when the supply increases. Draw a perpendicular from _____ on the _____ for finding out ______.

'P₂' is the point of intersection of demand curve and new supply curve when the supply increases. Draw a _________ from _____ on the _______ for finding out ______.

'P₂' is the point of intersection of demand curve and new supply curve when the supply increases. Draw a _________ from _____ on the _______ for finding out ______.
Effect of Increase in Demand/Supply on Price

<table>
<thead>
<tr>
<th>No response required</th>
<th>With the increase in demand, price increases and with the increase in supply, price decreases.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MI-270</strong></td>
<td>i) Decreases With the increase in demand, price increases and with the increase in supply, price</td>
</tr>
<tr>
<td></td>
<td>ii) Decreases.</td>
</tr>
<tr>
<td></td>
<td><strong>MI-271</strong> [i) Price With the increase in demand, price increases and with the increase in supply</td>
</tr>
<tr>
<td></td>
<td>ii) Decreases.</td>
</tr>
<tr>
<td></td>
<td><strong>MI-272</strong> [i) Supply With the increase in demand, price increases and with the increase in</td>
</tr>
<tr>
<td></td>
<td>ii) Price</td>
</tr>
<tr>
<td></td>
<td>iii) Decreases.</td>
</tr>
</tbody>
</table>
### MI-273

<table>
<thead>
<tr>
<th>I) Increases</th>
<th>With the increase in demand, price</th>
</tr>
</thead>
<tbody>
<tr>
<td>II) Supply</td>
<td>________ and with the increase in</td>
</tr>
<tr>
<td>III) Price</td>
<td>________, ________  __________.</td>
</tr>
<tr>
<td>IV) Decreases</td>
<td></td>
</tr>
</tbody>
</table>

### MI-274

| I) Price     | With the increase in demand,      |
|--------------|__________________________________|
| II) Increases| ________ and with the increase in |
| III) Supply  | ________, ________  __________.  |
| IV) Price    |                                  |
| V) Decreases |                                  |

### MI-275

<table>
<thead>
<tr>
<th>I) Increase</th>
<th>With the _______ in demand, ______</th>
</tr>
</thead>
<tbody>
<tr>
<td>II) Price</td>
<td>________ and with the increase in</td>
</tr>
<tr>
<td>III) Increases</td>
<td>________, ________  __________.</td>
</tr>
<tr>
<td>IV) Supply</td>
<td></td>
</tr>
<tr>
<td>V) Price</td>
<td></td>
</tr>
<tr>
<td>VI) Decreases</td>
<td></td>
</tr>
<tr>
<td>No response required</td>
<td>MI-276</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------</td>
</tr>
<tr>
<td>When the demand increased from OA to OA₁, the price also increased and when the supply increased from OA to OA₂, the price decreased.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1) Decreased</th>
</tr>
</thead>
<tbody>
<tr>
<td>MI-276</td>
</tr>
<tr>
<td>When the demand increased from OA to OA₁, the price also increased and when the supply increased from OA to OA₂, the price ______.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-277</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Price</td>
</tr>
<tr>
<td>2) Decreased</td>
</tr>
<tr>
<td>MI-277</td>
</tr>
<tr>
<td>When the demand increased from OA to OA₁, the price also increased and when the supply increased from OA to OA₂, the ______.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-278</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Increased</td>
</tr>
<tr>
<td>2) Price</td>
</tr>
<tr>
<td>3) Decreased</td>
</tr>
<tr>
<td>MI-278</td>
</tr>
<tr>
<td>When the demand increased from OA to OA₁, the price also increased and when the supply ______ from OA to OA₂, the ______.</td>
</tr>
</tbody>
</table>
MI-279

i) Supply
ii) Increased
iii) Price
iv) Decreased

When the demand increased from OA
OA₁, the price also increased and when the ________ from OA to OA₂, the ________.

MI-280

i) Increased
ii) Supply
iii) Increased
iv) Price
v) Decreased.

When the demand increased from
OA to OA₁, the price also ________ and when the ________ from OA to OA₂, the ________.

MI-281

i) Price
ii) Increased
iii) Supply
iv) Increased
v) Price
vi) Decreased.

When the demand increased from OA
OA₁, the ________ also ________ and when the ________ from OA to OA₂, the ________.
### Effect of Increase/Decrease in Supply on Price

<table>
<thead>
<tr>
<th>MI-282</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Increased</td>
</tr>
<tr>
<td>ii) Price</td>
</tr>
<tr>
<td>iii) Increased</td>
</tr>
<tr>
<td>iv) Supply</td>
</tr>
<tr>
<td>v) Increased</td>
</tr>
<tr>
<td>vi) Price</td>
</tr>
<tr>
<td>vii) Decreased.</td>
</tr>
</tbody>
</table>

When the demand __________ from OA to OA₁, the __________ also __________ and when the __________ __________ from OA to OA₂, the __________ __________.

<table>
<thead>
<tr>
<th>MI-283</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Demand</td>
</tr>
<tr>
<td>ii) Increased</td>
</tr>
<tr>
<td>iii) Price</td>
</tr>
<tr>
<td>iv) Increased</td>
</tr>
<tr>
<td>v) Supply</td>
</tr>
<tr>
<td>vi) Increased</td>
</tr>
<tr>
<td>vii) Price</td>
</tr>
<tr>
<td>viii) Decreased.</td>
</tr>
</tbody>
</table>

When the __________ __________ from OA to OA₁, the __________ also __________ and when the __________ __________ from OA to OA₂, the __________ __________.

**Effect of Increase/Decrease in Supply on Price**

No response required | With the increase in supply, price decreases and with the decrease in supply, the price increases.
<table>
<thead>
<tr>
<th></th>
<th>MI-284</th>
<th>MI-285</th>
<th>MI-286</th>
<th>MI-287</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Increases.</td>
<td>With the increase in supply, the price decreases and with the decrease in supply, the price.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii) Price</td>
<td>With the increase in supply the price decreases and with the decrease in supply, ______.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii) Increases.</td>
<td>With the increase in supply, the ______ in supply, the ______.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv) Decreases</td>
<td>With the increase in supply, the price ______ and with the ______ in supply, the ______.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No response required</td>
<td>When the supply increases from OA to OA₂, the price decreases and when the supply decreases from OA to OA₁, the price increases.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MI-288</th>
<th>With the increase in supply, the price decreases and with the decrease in supply, the price increases.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>MI-289</th>
<th>With the increase in supply, the price decreases and with the decrease in supply, the price increases.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>MI-290</th>
<th>When the supply increases from OA to OA₂, the price decreases and when the supply decreases from OA to OA₁, the price increases.</th>
</tr>
</thead>
</table>

**Text:**

(i) **Price**

(ii) Decreases

(iii) Decrease

(iv) Price

(v) Increases.
| MI-291 | When the supply increases from  
| OA to OA₂, the price decreases and when the supply decreases from  
| OA to OA₁, the |  |

| MI-292 | When the supply increases from OA to  
| OA₂, the price decreases and when the supply ______ from OA to OA₁, the  |

| MI-293 | When the supply increases from OA  
| to OA₂, the price ______ and when  
| the supply ______ from OA to OA₁ 
| the |  |
MI-294

i) Price
ii) Decreases
iii) Decreases
iv) Price
v) Increases

MI-295

i) Increases
ii) Price
iii) Decreases
iv) Decreases
v) Price
vi) Increases

When the supply increases from OA to OA₂, the ________ and when the supply ________ from OA to OAₑ, the ________ ________

and when the supply ________ from OA to OAₑ, the ________ ________
Appendix A 4

A Mathematical Programme (Skill) on Competitive Equilibrium

Supervised by:—

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Department of Education,
Panjab University, Chandigarh.

Prepared by:—

Rajinder Kaur
M.A., M.Ed.; M. Phil
Assistant Professor (Education)
Directorate of Correspondence Courses
H. P. University, Simla.
- Marking the Point of Intersection of Supply Curve and New Demand Curve with the Increase in Demand.
- Finding out Equilibrium Quantity with the Increase in Demand from DD to D₁D₁.
- Finding out Equilibrium Price with the Increase in Demand from DD to D₁D₁.
- Price Comparison when Demand is DD and D₁D₁.
- Demand Curve with the Decrease in Demand from DD to D₂D₂, Supply remaining the same.
- Drawing Perpendicular on the Y-axis from the Point of Intersection of Supply Curve and New Demand Curve with the Decrease in Demand.
- Finding out Equilibrium Price with the Decrease in Demand.
- Finding out Equilibrium Quantity with the Decrease in Demand.
- Finding out Equilibrium Quantity and Equilibrium Price with the Decrease in Demand.
- Price Comparison with the Increase and Decrease in Demand.

**UNIT-III**

**Effect of Increase/Decrease in Supply on Price.**

- Supply Curve with the Increase in Supply at Constant Demand.
- Point of Intersection of Demand Curve and New Supply Curve with the Increase in Supply.
- Finding out Equilibrium Quantity with the Increase in Supply at Constant Demand.
- Finding out Equilibrium Price with the Increase in Supply at Constant Demand.
- Finding out Equilibrium Quantity and Equilibrium Price with the Increase in Supply.
- Supply Curve with the Decrease in Supply.
- Point of Intersection of Demand Curve and New Supply Curve with the Decrease in Supply.
- Finding out Equilibrium Quantity with Decrease in Supply.
- Finding out Equilibrium Price with the Decrease in Supply.
- Finding out Equilibrium Quantity and Equilibrium Price with the Decrease in Supply.
- Price Comparison with Increase and Decrease in Supply.
INSTRUCTIONS.

You have been provided with a new type of learning material. This is called "Programmed Text" and the content to be learnt is presented in small bits. Each page of this book-let has been divided into two columns. The content for learning has been given in the right hand side column between two parallel lines (==). This is called an 'exercise'. In total there are one hundred and eighteen exercises divided into three units. At the beginning of every concept an exercise is given for which you are not required to give any response. You are requested to see this exercise very carefully for each & every concept. If you understand the pre-concept exercises, you will be in a position to respond correctly to every exercise for which the correct responses are given in the left hand side column.

For making a humble start, please place a sliding paper on the left hand side column so that the responses given there are covered up completely. Now read the exercises one by one from the right hand side column. When you have responded to an exercise, confirm your answer by sliding down the paper in the left hand side column. You will find the following type of responses to be given by You:
1. When one or more dashes alongwith a question mark ( ? ) are given for an exercise.

   e.g.
   
   ![Graph](image)

   (Here you will do the necessary labelling work against the given question mark).

2. When incomplete word and the number of dots completing it are given:

   e.g. 0__________X-axis

   (In this case you will complete the incomplete word by writing 'Quantity').

3. When one or more than one question marks are given:

   e.g. Y-axis

   ![Graph](image)

   (Here, you will indicate the variables measured on X-axis and Y-axis by writing 'Quantity' and 'Price' respectively).
4. When an incomplete diagram with question marks are given.
   e.g.
   
   ![Demand Curve Diagram](image)

   (Here, one question-mark stands for the completion of the Demand Curve & the other question-mark for its labelling.)

5. When a statement is given in the right hand side column e.g. Draw the Demand Curve & label it.
   (In this case you will do as directed.)

   Please see that you donot strike off the answer even if it is incorrect after verifying from the left hand side column. Your duty is just to keep in mind the correct answer & move ahead to the next exercise. But be sure, that you have checked your answer before passing on to the next exercise. It is a must.
Do not make haste. Take your own time to do a particular exercise. Do not look at the programme of others. Feel confident about your work and do not skip over any exercise, otherwise you will lose the link & the possibility of committing more mistakes will increase.

You will keep in mind while going through the programme that you grasp the material as you will be required to take a test after the completion of the programme.

Now please start with it

GOOD LUCK.
UNIT- I

DETERMINATION OF EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE

DRAWING OF AXES AND INDICATING THE VARIABLES MEASURED ON EACH AXES.

No response required

Y-axis

Price

O—— X-axis

Quantity

MS-1

Quantity

Price

O—— X-axis

Quantity

MS-2

Quantity

Price

O—— X-axis
i) Quantity
ii) Price

---

i) Quantity
ii) Price

---

i) Quantity
ii) Price

---

i) Quantity
ii) Price
iii) X
1) Quantity
2) Price
3) X
4) Y

MS-6

Y-axis
Price

X-axis
Quantity

MS-7

Draw the X and Y-axes indicating the variables measured on each.

SLOPE OF DEMAND CURVE

No response required

Price

Demand curve

Y-axis

X-axis
Quantity
i) Demand
ii) DD

Price

Y-axis

Quantity
MS-11
Draw the demand curve and label it.

Demand curve

Price

Y-axis

D

0 —— X-axis

Quantity

SLOPE OF THE SUPPLY CURVE

No response required

Supply

Price

Y-axis

S

0

S

X-axis

Quantity

MS-12

Price

Y-axis

S

0

S

X-axis

Quantity
i) Supply  
ii) SS  

Draw the supply curve & label it.

Y-axis
Price

MS-15

Supply Curve

Price

X-axis
Quantity
i) Supply curve
ii) Demand curve

Draw the demand and supply curves and label them.

POINT OF INTERSECTION OF DEMAND AND SUPPLY CURVES

No response required.
i) Point of intersection

ii) P.

MS-20
Point of intersection of D & S curves & label it.

MS-21

MS-22

Mark the point of intersection of D & S curves & label it.
DETERMINING EQUILIBRIUM QUANTITY BY DRAWING
PERPENDICULAR ON THE X-AXIS FROM THE
POINT OF INTERSECTION OF DEMAND AND
SUPPLY CURVES.

No response required.

\[ \text{OA} = \text{Equilibrium Quantity} \]

Equilibrium

\[ \text{MS-23} \]

\[ \text{MS-24} \]

i) Equilibrium,

\[ \text{ii) S} \]

\[ \text{D} \]

\[ \text{P} \]

\[ \text{A} \]

\[ \text{D} \]

\[ \text{S} \]

\[ \text{F} \]

\[ \text{D} \]

\[ \text{A} \]

\[ \text{D} \]

\[ \text{S} \]

\[ \text{OA} = \text{Equilibrium Quantity} \]

\[ \text{OA} = \text{? Quantity} \]
i) Equilibrium

ii)

iii)

\[ \text{Equilibrium quantity} \]

**NS-25**

Y-axis ■ D

Price

Draw the perpendicular on the X-axis from the point P & find out its distance from the origin in terms of equilibrium quantity.

\[ 0A = \text{Equilibrium quantity} \]

**MS-26**

Determining Equilibrium Price by Drawing Perpendicular on the Y-axis from the Point of Intersection of D & S Curves.

No response required.

\[ 0B = \text{Equilibrium price} \]
Equilibrium

i) Equilibrium

\[ \text{Equilibrium} \]

Y-axis
Price

B

S

D

X-axis

Quantity

OB = _______? Price

MS-27

i) Equilibrium

Y-axis
Price

B

S

D

X-axis

Quantity

OB = _______? price

MS-28

i) Equilibrium

Y-axis
Price

B

S

D

X-axis

Quantity

OB = _______? price

MS-29

i) Equilibrium

Y-axis
Price

B

S

D

X-axis

Quantity

OB = _______? price

MS-29

iii) B

\[ \text{Equilibrium} \]
Draw the perpendicular on the Y-axis from point P & find out its distance from the origin in terms of Equilibrium price.

Finding out Equilibrium Quantity and Equilibrium Price.

No response required.

Equilibrium Quantity

MS-31
i) Equilibrium quantity

ii) 

iii) Equilibrium price

iv) 

iii) Equilibrium Price
UNIT-II

EFFECT OF INCREASE/DECREASE IN DEMAND ON PRICE.

DEMAND CURVE WITH INCREASE IN DEMAND.

No response required.

Demand curve with the increase in demand.

Increase in demand

MS-35
Draw the diagram showing Equilibrium quantity & Equilibrium price.

MS-36
Demand curve with the increase in demand.
Demand curve with increase in demand

MS-37

Y-axis

Price

D

D

D

D

S

S

S

S

0

Quantity

MS-38

Y-axis

Price

D

D

D

D

S

S

S

S

0

Quantity

MS-39

Y-axis

Price

D

D

D

D

S

S

S

S

0

Quantity
Draw the demand curve with the increase in demand and label it D.

MARKING THE POINT OF INTERSECTION OF NEW DEMAND CURVE & SUPPLY CURVE WITH THE INCREASE IN DEMAND.

No response required.

Point of intersection of supply curve & new demand curve
i) Point of intersection of supply curve & new demand curve.

ii) $P_1$

Mark & label the point of intersection of supply curve and new demand curve with the increase in demand from $D_0$.

FINDING OUT EQUILIBRIUM QUANTITY WITH THE INCREASE IN DEMAND FROM $D_0$ TO $D_1$.

No response required

$D_0 = $ Equilibrium quantity
Equilibrium quantity

1) Equilibrium quantity

2) $A_1$.
FINDING OUT THE EQUILIBRIUM PRICE WITH THE INCREASE IN DEMAND FROM $D_1$ TO $D_1'$. 

No response required.
Equilibrium price.

1) Equilibrium price

ii) $B_1$

Find out the Equilibrium price with the increase in demand from $D_0$ to $D_1$.

$D_1$ = Equilibrium price.
PRICE COMPARISON WHEN DEMAND IS DD & D. D.

No response required.

<table>
<thead>
<tr>
<th>Price</th>
<th>Demand</th>
</tr>
</thead>
<tbody>
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i) 03_1

ii) 03

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<td>D_1, D_1</td>
</tr>
</tbody>
</table>
1) DD
2) DD
3) BD

Draw the diagram to find out price when demand is DD & BD.

DEMAND CURVE WITH THE DECREASE IN DEMAND FROM DD TO BD, SUPPLY REMAINING THE SAME.

No response required.

DEMAND CURVE WITH THE DECREASE IN DEMAND FROM DD TO BD, SUPPLY REMAINING THE SAME.

Price | Demand
--- | ---
DD | DD
D1 | BD
1) Demand

ii) Decrease

iii) \( D_2 \)
Draw the demand curve when the demand decreases from D_D to D_D', supply remaining the same.

**Demand curve**

**Price**

**Quantity**

---

**Drawing Perpendicular on the Y-axis from the Point of Intersection of Supply Curve & New Demand Curve with the Decrease Illusory**

No response required.

**Perpendicular**

**Price**

**Quantity**

**Point of intersection of supply curve & new demand curve**

**P_B_2** = Perpendicular on the Y-axis from the point P_2.
1) Perpendicular

ii) \( P_2 \) = Perpendicular on the Y-axis from point \( P_2 \).

No response required.
\[ \text{Equilibrium price} \]

Equilibrium price

\[ D_2 \]

\[ D_2 \]

\[ 0 \]

\[ \text{Quantity} \]
Finding the equilibrium quantity with the curves in demand.

No response required.

Quantity

Equilibrium quantity

Diagram 1

Diagram 2
Find out the Equilibrium quantity with the decrease in demand.

Equilibrium quantity

No response required

Equilibrium quantity

No response required

Equilibrium quantity

No response required
1) Equilibrium quantity.
2) Equilibrium price.

**PRICE COMPARISON WITH INCREASE AND DECREASE IN DEMAND**

No response required.
Find out price when demand increases from \( D_1 D_1 \) to \( D_2 D_1 \) and when it decreases to \( D_2 D_2 \).
UNIT III

EFFECT OF INCREASE/DECREASE IN SUPPLY ON PRICE

SUPPLY CURVE WITH THE INCREASE IN SUPPLY AT CONSTANT DEMAND.

No response required

increase Price

Supply curve with the increase in supply

MS-75

Supply curve with the increase in supply.

MS-76

Y-axis

Price

X-axis

Quantity

Quantity
Draw the supply curve with the increase in supply from $S_S$ to $S_{S1}$.

**POINT OF INTERSECTION OF DEMAND CURVE AND NEW SUPPLY CURVE WITH THE IN SUPPLY**

No response required.
Point of intersection

i) Point of intersection

ii) $P_1$

Mark & label the point of intersection of demand and new supply curve with the increase in supply.

$P_1 =$ Point of intersection of demand curve and new supply curve.

$P_1 =$ Point of intersection of demand curve & new supply curve.

$P_1 =$ Point of intersection of demand curve & new supply curve.
Finding out equilibrium quantity with the increase in supply at constant detail.

No response required.

\[ P_A = \text{Perpendicular on the X-axis from the point of intersection of Demand curve and new supply curve.} \]

\[ O_A = \text{Equilibrium quantity}. \]
(1) Perpendicular
(2) Equilibrium quantity
Price
Y-axis

OA = D
P = D

Quantity
X-axis

X-axis, Y-axis
FINDING OUT EQUILIBRIUM PRICE WITH THE INCREASE IN SUPPLY AT CONSTANT DEMAND.

No response required.

P_1 \perp \text{Perpendicular on the Y-axis from the point of intersection of demand and supply curves.}

O\text{S}_1 = \text{Equilibrium price.}

Perpendicular

P_1 \perp \text{Perpendicular on the Y-axis from the point of intersection of demand \& supply curves.}
Perpendicular on the Y-axis

MS-87

\[
\begin{align*}
\text{Price} & \quad D \\
S_1 & \quad \quad P_1 \\
B_1 & \quad \quad S_1 \\
0 & \quad \quad \quad \quad \text{X-axis} \\
\text{Quantity} & \\
\end{align*}
\]

\[P_1 B_1 = \ ? \]

\[OB_1 = \text{Equilibrium price.}\]

MS-88

i) Perpendicular on the Y-axis

ii) Equilibrium price.
i) Perpendicular on the Y-axis

ii) Equilibrium price

Find out the equilibrium price with the increase in supply from SS to S_S1.

Equilibrium price = OB1

Equilibrium price = _____?
FINDING OUT EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE WITH THE INCREASE IN SUPPLY.

No response required

Equilibrium quantity

OA₁ = Equilibrium quantity
OB₁ = Equilibrium price.
i) Equilibrium quantity
ii) Equilibrium price

MS-93

Price
Y-axis

OA = ____________ ?
OB = ____________ ?

MS-94

Price
Y-axis

OA = ____________ ?
OB = ____________ ?
Find out the Equilibrium quantity and Equilibrium price with the increase in supply from SS to $S_1S_1$.

Equilibrium quantity $= OA_1$
Equilibrium price $= OB_1$

SUPPLY CURVE WITH THE DECREASE IN SUPPLY AT CONSTANT DEMAND.

No response required.
Supply curve with the decrease in supply.

MS-96

Supply curve with the decrease in supply.

MS-97

1) Supply curve with the decrease in supply.

MS-90

1) Supply curve with the decrease in supply.

MS-90
Draw the supply curve with the decrease in supply from SS to $S_2S_2$.

POINT OF INTERSECTION OF DEMAND CURVE AND NEW SUPPLY CURVE WITH DECREASE IN SUPPLY.

No response required.

$P_2$ = Point of intersection.
Price

Quantity

Point of intersection

MS-100

P_2 = Point of intersection

MS-101

P_2 = _____

MS-102

Mark the point of intersection of demand curve and new supply curve with the decrease in supply from S_2 to S_3.

P_2 = Point of intersection

Point of intersection = _____?
FINDING OUT EQUILIBRIUM QUANTITY WITH DECREASE IN SUPPLY.

No response required.

Equilibrium quantity

i) Equilibrium quantity

ii) \( A_2 \).
Find out Equilibrium quantity with the decrease in supply from SS to S$_2$. 

Equilibrium quantity: __________?

FINDING OUT EQUILIBRIUM PRICE WITH THE DECREASE IN SUPPLY.

No response required.

MS-105

Equilibrium price.

No response required.

MS-186
i) Equilibrium price

ii) $B_2$

---

**MS-107**

Equilibrium price

---

**MS-108**

Find out Equilibrium price with the decrease in supply from $S_5$ to $S_2$.

Equilibrium price $= OB_2$. 

---
FINDING OUT EQUILIBRIUM QUANTITY AND EQUILIBRIUM PRICE WITH THE DECREASE IN SUPPLY.

No response required

Equilibrium quantity

MS-100

No response required
i) Equilibrium price

ii) Equilibrium quantity

iii) $A_2^*$

MS-110

MS-111
Find out the Equilibrium quantity and Equilibrium price with decrease in supply from SS to $S_2S_2$.

**Equilibrium quantity** = $OA_2$

**Equilibrium price** = $OB_2$
PRICE COMPARISON WITH THE INCREASE AND DECREASE IN SUPPLY.

No response required.

MS-114
MS-115

Price
Supply
Y-axis

S_1
S_2

P_1
P_2

D
S

X-axis
Quantity

MS-116

Price
Supply
Y-axis

S_1
S_2

P_1
P_2

D
S

X-axis
Quantity

i) O_2

ii) O_1

iii) S_1
Find out the price when supply is $S_1S_1$ and $S_2S_2$, demand remaining the same.

**MS-118**

- **Supply**
  - $S_1S_1$
  - $S_2S_2$
- **Demand**
  - $D$

**Price**
- $P_1$
- $P_2$
- $P_3$
- $P_4$

**Quantity**
- $0$
- $Q_1$
- $Q_2$
- $Q_3$
- $Q_4$
CRITERION TEST

(Information)

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Prepared by:—

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Assistant Professor (Education)
Directorate of Correspondence Courses
H. P. University, Simla.
Introduction:

Students, you have already read "Competitive Equilibrium" in your class in Economics. You will, please, go through the questions/statements given below in four parts. There is space meant for your answer after each question/statement. You will read the question/statement and take your time to answer the same in the space provided. Please start.

Part- A

CI- 1. What is measured on the X-axis? ________________

CI- 2. What is measured on the Y-axis? ________________

CI- 3. What is the slope of the demand curve in competitive market? ________________

CI- 4. What is the slope of the supply curve in the competitive market? ________________

CI- 5. What is equilibrium quantity? ________________

CI- 6. What is equilibrium price? ________________
CI- 7. What happens to the demand curve when demand increases, supply remaining the same?

CI- 8. What happens to the price when demand increases?

CI- 9. What happens to the demand curve when demand decreases, supply remaining the same?

CI- 10. What happens to the price when demand decreases?

CI- 11. What is the equilibrium price in the given diagram when with the increase in demand $D_D$ is the new demand curve?
I-12. In the given diagram $D_2D_2$ is the demand curve when the demand has decreased. What is the equilibrium price in the new situation?

I-13. What happens to the supply curve when supply decreases, demand remaining the same?

I-14. What happens to the price when supply decreases?

I-15. What happens to the supply curve when supply increases, demand remaining the same?

I-16. What happens to the price when supply increases?
Cl-17. In the given diagram $S_1S_1$ is the supply curve when the supply has increased, what is the equilibrium price?

Cl-18. In the given diagram $S_2S_2$ is the supply curve when the supply has increased, what is the equilibrium price?
In the statements given below three alternative answers are 
given to each statement. Out of these answer only one is 
correct or more appropriate than others. Tick mark (✓) 
the correct answer.

CI- 19. On X-axis we measured
a) Quantity
b) Price
c) Income

CI- 20. On Y-axis we measure
a) Price
b) Quantity
c) Income

CI- 21. The demand curve is
a) Positively sloped.
b) Negatively sloped
c) Constantly sloped

CI- 22. The supply curve is
a) Constantly sloped
b) Negatively sloped
c) Positively sloped.
CI-23. The demand curve in these diagrams is:

- (2.1) PQ
- (2.2) P1Q1
- (2.3) P2Q2

CI-24. The supply curve in the diagram (2.1), (2.2), (2.3) is:

- (2.1) PQ
- (2.2) P1Q1
- (2.3) P2Q2

CI-25. The equilibrium price in the given diagram is:

- (2.4) OB
- OB1
- OA1

(Fig. (2.4))
CI- 26. The equilibrium quantity in the Fig. 2.4 is:
   a) OB
   b) OR
   c) OA

CI- 27. In the given diagram when demand increases from DD,
supply remaining the same, the shifted demand curve is:
   a) DD
   b) D1D1
   c) D2D2

CI- 28. When demand has decreased from DD, supply remaining the
same, the new demand curve in the Fig. 2.5 is:
   a) D2D2
   b) DD
   c) D1D1

CI- 29. With the increase in demand, the price charged has
   a) Remained unchanged
   b) Fallen
   c) Risen
CI-30. With the decrease in demand, the price charged has
   a) Remained unchanged
   b) Fallen
   c) Risen

CI-31. In the given diagram, when supply increases from SS, the new supply curve is:
   a) SS
   b) S2S2
   c) S1S1

CI-32. In the Fig. (2.5), when the supply decreases from SS, the new supply curve is:
   a) SS
   b) S2S2
   c) S1S1

CI-33. With the increase in supply, the price charged
   a) Increases
   b) Decreases
   c) Remains same.
CI-34. With the decrease in supply, the price charged:
   a) Increases
   b) Decreases
   c) Remains same

Part-C
In this part there are two columns (i) and (ii). Column (i) consists of items to which the responses are given in column (ii) without any specific order. Match the responses in column (ii) with the items in column (i) by the letter indicating the appropriate responses against each item in the space provided in the brackets.

<table>
<thead>
<tr>
<th>Column (i)</th>
<th>Column (ii)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI-35. i) X-axis</td>
<td>( ) a) price</td>
</tr>
<tr>
<td>ii) Y-axis</td>
<td>( ) b) Quantity</td>
</tr>
<tr>
<td></td>
<td>c) Income</td>
</tr>
<tr>
<td>CI-36. i) Demand curve</td>
<td>( ) a) Positively sloped</td>
</tr>
<tr>
<td>ii) Supply curve</td>
<td>( ) b) Constantly sloped</td>
</tr>
<tr>
<td></td>
<td>c) Negatively sloped</td>
</tr>
<tr>
<td>CI-37. i) Increase in demand</td>
<td>( ) a) Demand curve shifts upward.</td>
</tr>
<tr>
<td>ii) Decrease in demand</td>
<td>( ) b) Demand curve does not shift</td>
</tr>
<tr>
<td></td>
<td>c) Demand curve shifts downward</td>
</tr>
</tbody>
</table>
CI- 39.  
   i) Increase in demand  
         a) Price increases  
         b) Price decreases  
         c) Price constant.  
   ii) Decrease in demand  
        a) Supply curve shifts upward.  
        b) Supply curve shifts downward  
        c) Supply curve does not shift.  

CI- 39.  
   i) Increase in supply  
         a) Price constant  
         b) Price decreases  
         c) Price increases.  
   ii) Decrease in supply  
        a) Price increases  
        b) Price constant  
        c) Price decreases.  

CI- 40.  
   i) Increase in demand  
         a) Price increases  
         b) Price constant  
         c) Price decreases.  
   ii) Decrease in supply  
        a) Price increases.  
        b) Price decreases  
        c) Price constant.  

Part-D  
Complete the following by filling in the blanks with the appropriate response.  

CI- 45.  Demand curve is ____________________ sloped.  
CI- 44.  Supply curve is ____________________ sloped.  
CI- 45.  Equilibrium quantity is the quantity produced at the point  
        where ____________________ & ____________________ curves intersect.
Cl- 46. The equilibrium price in the diagram 4.1 is denoted by ____________.

Cl- 47. Equilibrium price is the price charged at the point where demand and supply curves ________________.

Cl- 48. When demand increases, demand curve shifts in the ________________ direction.

Cl- 49. The equilibrium quantity in the Fig. 4.1 is indicated by ________________.

Cl- 50. The demand curve shifts in the downward direction with the ________________ in demand.

Cl- 51. The price charged decreases with the ________________ in demand.

Cl- 52. When demand decreases, demand curve shifts in the ________________ direction.

Cl- 53. The demand curve shifts in the upward direction with the ________________ in demand.
CI- 54. The price charged increases with the ___________ in demand.

CI- 55. When supply ___________ supply curve shifts in the right downward direction.

CI- 56. When supply ___________ supply curve shifts in the left upward direction.

CI- 57. When supply increases, the price charged ___________.

CI- 58. The supply curve shifts in the ___________ direction with the increase in supply.

CI- 59. The supply curve shifts in the ___________ direction with the decrease in supply.

CI- 60. When supply ___________ the price charged increases.
CRITERION TEST
(Skill)

Supervised by: —

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Instructions:
 Students, you have already learnt the drawing, labelling, marking and completing of the diagrams on competitive equilibrium in economics. Here are given the statements on the left hand side. You will read the statements and do as desired on the space provided.

\[ \text{Part E} \]

( Drawing of Diagrams )

Instructions: Draw the diagrams on the right hand side column according to the description on the left hand side column.

CS-1) Draw the X-axis and indicate the variable measured on it.

CS-2) Draw the X-axis and indicate variable measured on it.
CS-3) Draw X & Y axes and indicate the variables measured on those.

CS-4) Draw the demand curve in the given diagram.

CS-5) Draw the supply curve in the diagram given.

CS-6) Draw the demand and the supply curves in the given diagram.
CS-7) Draw the perpendicular on the X-axis from the point of intersection of demand & supply curves in the given diagram.

CS-8) Draw the perpendicular on the Y-axis from the point of intersection of demand & supply curves.

CS-9) Draw the diagram showing Equilibrium quantity.
CS-10) Draw the diagram showing equilibrium price.

CS-11) Draw the diagram showing equilibrium quantity and equilibrium price.

CS-12) Draw the demand curve when the demand increases in the given diagram.

CS-13) Draw perpendicular on the X-axis from the point of intersection of supply curve and new demand curve when demand increases from D to D'.

---

**Diagram:**
- **Y-axis:** Price
- **X-axis:** Quantity
- Supply curve (S)
- Demand curve (D)
- New demand curve (D')
CS-14) Draw perpendicular to the Y-axis from the point of intersection of supply curve and new demand curve when demand increases from $D_D$ to $D_D$.1.1

CS-15) Draw the diagram to find equilibrium quantity & equilibrium price with increase in demand.

CS-16) Draw the diagram showing increase in price with increase in demand from $D_D$ to $D_D$.

CS-17) Draw the demand curve when demand decreases from $D_D$ in the given diagram.
CS-18) Draw perpendicular on the X-axis from the point of intersection of supply curve and now demand curve when demand decreases from DD to $D_1D_2$.

CS-19) Draw perpendicular on the Y-axis from the point of intersection of supply curve & now demand curve when demand decreases from DD to $D_1D_2$.

CS-20) Draw the diagram showing equilibrium quantity & equilibrium price with decrease in demand from DD to $D_1D_2$. 
CS-21) Draw the diagram showing decrease in price with decrease in demand from DD to D1D2.

CS-22) Draw the diagram showing price increase at constant supply.

CS-23) Draw the diagram showing price decrease at constant supply.
CS-24) Draw the diagram showing the effect of increase and decrease in demand on price at constant supply.

CS-25) Draw the supply curve when supply increases at constant demand in the given diagram.

CS-26) Draw perpendicular on the X-axis from the point of intersection of demand curve & new supply curve, when the supply increases from S2 to S1.
CS-27) Draw perpendicular on the Y-axis from the point of intersection of demand curve & new supply curve, when the supply increases from SS to S₁S₁.

CS-28) Draw the diagram showing Equilibrium quantity & Equilibrium price with the increase in supply at constant demand.

CS-29) Draw the diagram showing the price change with the increase in supply from SS to S₁S₁, demand remaining the same.
CS-30) Draw the supply curve when the supply decreases at constant demand in the given diagram.

CS-31) Draw the perpendicular on the X-axis from the point of intersection of demand curve and new supply curve when the supply decreases from SS to S, S^2.*

CS-32) Draw the perpendicular on the Y-axis from the point of intersection of demand curve and new supply curve when the supply decreases from SS to S, S^2.*
CS-33) Draw the diagram showing equilibrium quantity & equilibrium price with decrease in supply at constant demand.

CS-34) Draw the diagram showing decrease in supply with appropriate price change at constant demand.

CS-35) Draw the diagram showing decrease in price at constant demand.
CS-36) Draw the diagram showing increase in price at constant demand.

CS-37) Draw the diagram showing the effect of increase & decrease in supply on price at constant demand.

Part-F

( Labelling of Diagrams).

INSTRUCTIONS:-

In the diagrams that follow the labelling is required to be done on the right hand side column of the sheet and answers to various questions may be given on the left hand side column of the sheet at the space meant for the same.
CS-38) Label the demand curve in figure (2.1)

CS-39) Label the supply curve in figure (2.1)

CS-40) Label the point of intersection of Demand and supply curves in fig. (2.1)

CS-41) Which is the demand curve when demand increases from D₁, supply remaining the same?

Demand curve = D₁?
CS-42) What is OA\textsubscript{1} equal to in Fig. (2.3)?

OA\textsubscript{1} = \underline{\hspace{2cm}}

CS-43) Find out the equilibrium quantity in Fig. (2.3) when demand increases from DD to D\textsubscript{1}D\textsubscript{1}.

Equilibrium quantity = \underline{\hspace{2cm}}

CS-44) What is OB\textsubscript{1} equal to in Fig. (2.4)?

OB\textsubscript{1} = \underline{\hspace{2cm}}

CS-45) Find out the equilibrium price in Fig. (2.4) when demand increases from DD to D\textsubscript{1}D\textsubscript{1}.

Equilibrium price = \underline{\hspace{2cm}}

CS-46) Find out the price when demand is OA and OA\textsubscript{1} respectively in Fig. (2.5).

<table>
<thead>
<tr>
<th>Demand</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) OA</td>
<td>\underline{\hspace{2cm}}</td>
</tr>
<tr>
<td>2) OA\textsubscript{1}</td>
<td>\underline{\hspace{2cm}}</td>
</tr>
</tbody>
</table>
CS-47) Which is the demand curve when demand decreases from DD, supply remaining the same.

Demand curve = ________?

CS-48) Label the diagram when demand decreased from DD to DD. [Diagram]

OA = ________?

CS-49) Find out the equilibrium quantity in fig. (2.7) when demand decreased from DD to DD. [Diagram]

Equilibrium quantity = ________?

CS-50) What is OB equal to in fig. (2.8)? [Diagram]

OB = ________?

CS-51) Find out the equilibrium price in fig. (2.8) when demand decreased from DD to DD. [Diagram]

Equilibrium price = ________?
CS-52) Find out the price when demand is OA & OA2 in fig. (2.9).

Demand | Price
---------|------
OA      | ?    
OA2     | ?    

(Fig. 2.9)

CS-53) Find out the price when demand is OA1 and OA2 in fig. (2.10).

Demand | Price
---------|------
OA1     | ?    
OA2     | ?    

(Fig. 2.10)

CS-54) Which is the supply curve when supply increased from SS, demand remaining the same in fig. (2.11).

Supply curve = ?

(Fig. 2.11)
CS-55) Label the diagram when supply increased from SS to S, S_1.

Equilibrium quantity = ________ ?

CS-56) Find out the equilibrium quantity in Fig. (2.12) when supply increased from SS to S, S_1.

Equilibrium quantity = ________ ?

CS-57) Label the diagram when supply increased from SS to S_1, S_1.

Equilibrium quantity = ________ ?

CS-58) Find out the Equilibrium price in Fig. (2.13) when supply increased from SS to S, S_1.

Equilibrium price = ________ ?

CS-59) Find out the price when supply is OA & OA_1 in Fig. (2.14).

Supply  Price

OA = ________ ?

OA_1 = ________ ?
CS-60) Which is the supply curve when supply decreases from SS, demand remaining the same.
Supply curve = ________?

CS-61) Label the diagram when the supply decreased from SS to S_2 S_2.
OA_2 = ________?

CS-62) Find out the equilibrium quantity in fig. (2.16) when supply decreased from SS to S_2 S_2.
Equilibrium quantity = ________?

CS-63) Label the diagram when the supply decreased from SS to S_2 S_2.
OB_2 = ________?

CS-64) Find out the equilibrium price in fig. (2.17) when supply decreased from SS to S_2 S_2.
Equilibrium price = ________?
CS-65) Find out the price when supply is OA & QA in fig. (2.17).

<table>
<thead>
<tr>
<th>Supply</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>OA</td>
<td></td>
</tr>
<tr>
<td>OA₂</td>
<td></td>
</tr>
</tbody>
</table>

CS-66) Find out the price when supply is OA₁ & OA₂ in fig. (2.18).

<table>
<thead>
<tr>
<th>Supply</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>OA₁</td>
<td></td>
</tr>
<tr>
<td>OA₂</td>
<td></td>
</tr>
</tbody>
</table>

Instructions:
In the diagrams that follow, you will mark the points as desired and denote the same by a letter according to the nature of the question.

CS-67) Mark the point of intersection of demand and supply curves in fig. (3.1) and denote it by the letter 'P'.

(Fig. 3.1)
CS-68) Mark the point where perpendicular from the point of intersection of demand and supply curves touches the X-axis in fig. (3.2) and denote it by the letter 'A'.

CS-69) Mark the point where perpendicular from the point of intersection of demand & supply curves touches the Y-axis in fig. (3.3), and denote it by the letter 'B'.

CS-70) Mark the point of intersection of supply curve and new demand curve when demand increases from DD in fig. (3.4) & denote it by the letter 'P'.

(Fig. 3.2)

(Fig. 3.3)

(Fig. 3.4)
CS-71) Mark the point of intersection of supply curve & new demand curve when demand decreased from DD in Fig. (3.5) and denote it by the letter 'P2'.

(Fig. 3.5)

CS-72) Mark the point of intersection of demand curve & new supply curve when supply increased from SS in Fig. (3.6) and denote it by the letter 'P1'.

(Fig. 3.6)

CS-73) Mark the point of intersection of demand curve & new supply curve when supply decreases from SS in Fig. (3.7) and denote it by the letter 'P2'.

(Fig. 3.7)
Part-H
(Completing the Diagrams)

Instructions:
Here are given incomplete diagrams. You will read the statements on the left hand side column and complete the diagrams and denote the same by necessary letter.

CS-74) Complete the demand curve and denote it by 'D'.

\[ \text{Y-axis} \]
\[
\text{Price} \quad D \quad ?
\]
\[
\text{Quantity}
\]

CS-75) Complete the supply curve and denote it by 'S'.

\[ \text{Y-axis} \]
\[
\text{Price} \quad S \quad ?
\]
\[
\text{Quantity}
\]

CS-76) Complete the demand & supply curves & denote them by the letters D & S respectively.

\[ \text{Y-axis} \]
\[
\text{Price} \quad S \quad D \quad ?
\]
\[
\text{Quantity}
\]
CS-77) Complete the perpendicular drawn on the X-axis from the point of intersection of demand & supply curves & denote it by 'A', where it touches the X-axis.

CS-78) Complete the perpendicular drawn on the Y-axis from the point of intersection of demand & supply curves and denote it by 'B'.

CS-79) Complete the demand curve when demand increased from DD to DD₁ & denote it by 'D₁'.

---

**Graphs:**

- **Graph 1:** Perpendicular drawn on the X-axis from the point of intersection of demand & supply curves, labeled 'A'.
- **Graph 2:** Perpendicular drawn on the Y-axis from the point of intersection of demand & supply curves, labeled 'B'.
- **Graph 3:** Demand curve when demand increased from DD to DD₁, labeled 'D₁'.

---

**Notes:**

- All graphs are drawn on a standard price-quantity graph with the X-axis representing quantity and the Y-axis representing price.
- The points of intersection are marked clearly with 'D', 'S', and 'P' for demand, supply, and price, respectively.
- The perpendiculars drawn are denoted by 'A' and 'B'.

---
CS-80) Complete the demand curve when demand decreased from DD to $D_2D_2'$ and denote it by $D'_{2}D_{2}'$.

CS-81) Complete the supply curve when the supply increases from SS to $S'S'$ and denote it by $S'S'$.

CS-82) Complete the supply curve when the supply decreases from SS to $S'S_2$ and denote it by $S'S_2'$. 

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
</table>

Diagram: 
- **Demand Curve**: 
  - **Demand**: $D$ to $D_2$ to $D'_2$.
  - **Denote**: $D'_{2}D_{2}'$.
- **Supply Curve**:
  - **Supply**: $S$ to $S_1$ to $S'$.
  - **Denote**: $S'S'$.
  - **Decrease**: $S$ to $S_2$ to $S'_2$.
  - **Denote**: $S'S_2'$.