

1. Demand and supply function are given by:

$$Q^d = 14 - \frac{1}{2} p \quad \text{and} \quad Q^s = \frac{1}{4} p - 1$$

- Determine the equilibrium price and quantity. Show it graphically.
- If excise tax imposed on a good. what will be new equilibrium price and quantity?

2. The demand function is $Q = 100 - 3p$ and following table shows the price of the product for a commodity.

Price of good	Quantity demanded	Own price elasticity	Total Revenue
0			
4			
8			
12			
16			
20			
24			
28			
32			

- Complete the table.
- Graph demand curve.
- Grph total revenue under demand curve.
- What is relationship between own price elasticity of demand and total revenue?